



COMMEMORATIVE BOOKLET

ACCSM+3

INTERNATIONAL SYMPOSIUM

**“THE FUTURE OF CIVIL SERVICE”
2023**



NATIONAL PERSONNEL AUTHORITY OF JAPAN

TABLE OF CONTENTS

Foreword	3
01 The History of Japanese National Public Service and its Challenges	4
Mika Nishimura Professor, Faculty of Law, Seikei University, Japan	
02 Development of Human Resources toward Long-term Sustainability	24
Dr. Noor Maya Salleh Director, Institut Perkhidmatan Awam (IPA), Prime Minister's Office, Brunei Darussalam	
03 Cambodia's Civil Service, Reform and Challenges	38
THUN Bunthoeun Royal School of Administration, Cambodia	
04 Transforming Government Personnel Administration in Indonesia: Navigating Challenges in Bureaucratic Reform	58
Azmi Listya Anisah, Diana Mahifah, Mardiyanto Wahyu Tryatmoko The National Research and Innovation Agency, Republic of Indonesia	
05 Civil Service Management of Lao PDR 2012-2022	82
Nanthaphon LYVATHANA Director of Civil Service Planning & Cooperation Division, Civil Service Management Department, Ministry of Home Affairs, Lao PDR	
06 Talent Management in Malaysian Public Sector: Preparing the Workforce in a Context of Uncertainty	98
Norasyikin Shaikh Ibrahim & Bathmavathy Dalayga National Institute of Public Administration, Bukit Kiara Campus, Kuala Lumpur, Malaysia	
07 Leadership Development in the Singapore Public Sector: Evolution towards Citizen-Centric and Future-Ready Public Service Leaders	122
Dr. LEE Celia Nanyang Centre for Public Administration, Nanyang Technological University, Singapore	
08 Senior Executive Service in the Thai Public Sector	142
Dr. Sunisa Chorkaew Associate Professor, Faculty of Political Science, Thammasat University, Thailand	
09 Attracting and Using Talent in Vietnam's Public Sector	156
Nguyen Thu Huyen, MSc Institute of State Organizational Sciences, Ministry of Home Affairs of Vietnam	
10 Modernizing the Philippine Civil Service through Digitalization	174
Zita Concepcion P. Calugay Assistant Professor, University of the Philippines Diliman	

FOREWORD



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On Wednesday, September 27, 2023, the National Personnel Authority (NPA) of Japan hosted an international symposium titled "The Future of Civil Service" in Tokyo. This symposium gathered senior officials engaged in national public service personnel management from 13 countries, including ASEAN Member States, the People's Republic of China, the Republic of Korea, and Australia. The event provided a platform to discuss the challenges confronted by the national public service in each nation, strategies to address these challenges, and the vision each country holds for the future of their national public service.

This commemorative booklet is a compilation of papers contributed by researchers from ASEAN Member States and Japan, who were asked to write academic papers on the national public service personnel management system of the relevant country, discussing the history of the system, the issues to be addressed in the future, and the approach to solving them, in order to embody tangible results of the international symposium and make them widely used.

The NPA has been conducting surveys on the national public service systems of other countries, but this is the first time that it has compiled a comprehensive digest of the national public service systems in ASEAN Member States. The booklet provides a wealth of descriptions of the historical and cultural backgrounds of each country's system, which not only allows the reader to deepen their understanding of the national public service system in each country, but also provides a variety of problem-solving approaches that can be used as a reference for many countries.

The NPA has also established the Advisory Council on Personnel Administration, and is working firsthand on a grand design for the ideal image of public servants, codes of conduct, and human resource management in order to realize a world of public service befitting the new era. The final report is scheduled to be submitted by the end of 2024, and we hope to share the results with the ASEAN Member States.

The NPA is committed to actively collaborating with ACCSM+3 Countries to advance their personnel administration initiatives. Furthermore, we plan to leverage the outcomes of this symposium for workshops and further exchanges.

In closing, I extend my sincere gratitude to the dedicated researchers from ASEAN Member States and Japan who have written valuable papers for this booklet.

米村 猛

The History of Japanese National Public Service and its Challenges



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Abstract	6
Table and Figure	7
1. Establishment of the Public Service System through Postwar Reform	8
(1) Postwar Reform by GHQ.....	8
(2) Early days of the NPA	8
2. Characteristics of the National Public Service up to the 1980s	10
(1) Autonomous personnel management by each ministry and agency	10
(2) Severe Restrictions on Basic labor rights	10
(3) Principle of Balancing Working Conditions with those in the Private Sector	11
(4) Strict control of personnel expenses	11
(5) Entrance sorting of Careers and Non-Careers and side-by-side promotion based on year of employment.....	12
(6) Tendency to favor law graduates as all-rounders and Academic Cliques	13
(7) Re-employment called “Amakudari”.....	13
3. Reform of the National Public Service System since the 1990s.....	14
(1) Enactment of the National Public Service Ethics Act.....	14
(2) Consideration of Reforms in the Public Service System Study Council	14
(3) Opposition to the Outline for Reforming the Public Service System.....	15
(4) Diversification of appointments.....	15
(5) Total personnel expenses reform	16
4. 2007 Revision of the National Public Service Act.....	16
(1) Establishing a Personnel Evaluation System to Ensure a Merit-Based System	16
(2) Revision of Re-employment Regulations.....	16
5. Reforms under the Basic Act on the Reform of the National Public Service System	17
(1) Until the enactment of the Basic Act on the Reform of the National Public Service System	17
(2) Review of basic labor rights under the DPJ government	18
(3) Establishment of the Cabinet Bureau of Personnel Affairs and the centralized management of executive officials	18
(4) Fostering Courses for Executive Candidates	18
6. Remaining challenges	19
(1) Work style reform	19
(2) Promotion of Women’s Activities in the public service	20
(3) Raising the mandatory retirement age	20
(4) Declining popularity of public service	21
Reference.....	23

Abstract

In Japan, postwar reforms by GHQ created the framework for the new public service system and the National Personnel Authority, a highly independent third-party organization that has played a role in ensuring fairness in personnel management and protecting employees' interests. Personnel management of the postwar Japanese National Public Service has the following characteristics: (1) autonomous personnel management by each ministry and agency, (2) severe restrictions on basic labor rights, (3) the principle of balancing working conditions with those in the private sector, (4) strict control of personnel expenses, (5) entrance screening of cadets and seniority-based personnel management by year of employment, (6) academic cliques, and (7) reemployment mediated by ministries and agencies. These were critically examined in the reforms that began in the 1990s. As a result, several reforms were implemented: (1) clarification of ethical standards under the National Public Service Ethics Act, (2) containment of personnel expenses, (3) opening of the closed career system through a diversification of appointments, (4) reinforcement of an ability and performance based system through new personnel evaluations, (5) revision of reemployment regulations, (6) abolition of entrance screening of cadets and introduction of fostering courses for executive candidates, and (7) the centralized management of executive officials in accordance with political leadership. Recently, reforms in work styles, women's promotion, and the raising of the retirement age have also been proceeded, with the aim of creating a public service system in which employees of all ages and genders can play an active role. However, the popularity of the public service as a career is on the decline, and we are faced with the challenge of deciding what kind of public service system should be put in place to ensure excellent human resources.

Keywords: National Public Service, National Personnel Authority, personnel management, basic labor rights, personnel expenses, closed career system, re-employment, ability and performance, seniority, executive officials, political leadership

Table and Figure

Table1 Current Situation of Basic Labor Rights.....	10
Figure1 Change in personnel expenses for national public employees.....	12

1. Establishment of the Public Service System through Postwar Reform

The postwar Japanese public service system was formed under the GHQ (General Headquarters, the Supreme Commander for the Allied Powers.)¹ occupation, but since the end of the occupation, Japan has developed its own personnel management.

(1) Postwar Reform by GHQ

Before the end of World War II, the government employee system was based on a status system in which the public officials were loyal to the Emperor (Tenno). The GHQ considered them responsible for the war, but continued to employ them for the purpose of indirect rule, except for some public officials who were expelled in October 1945.

Then the prewar personnel system was transformed into a new system in accordance with the new constitution. However, GHQ did not have a concrete vision for the new public service system at the beginning of the occupation, and democratization through the trade union movement, promoted by the GHQ/ESS Labor Division, took precedence in the public sector. Many public employees were granted the same basic labor rights as private workers, and although the right to strike was soon restricted, salary determination through labor negotiations became the principle.

Basic labor rights were not respected in the prewar public sector because public officials were paid to maintain dignity as servants of the Emperor, not to receive compensation for their work. The formation of labor unions and negotiations under the direction of GHQ was a new experience for many public employees. However, labor negotiations were difficult due to austerity budgets, and salary increases could not keep pace with hyperinflation. The unionization movement among public employees became more militant, with the support of left-wing activists such as the Communist Party and the Socialist Party, which had been suppressed before the war. A general strike was planned for February 1, 1947, but was called off by the order of General Douglas MacArthur.

In parallel with these movements, the United States Personnel Advisory Mission, headed by Blain Hoover² arrived in Japan in November 1946, and began a study on the creation of a new public service system. In June 1947, the mission recommended a draft for a “National Public Servants Law” to the Japanese government, and a new Civil Service Division was established within GHQ/GS, with Hoover as its first chief. He aimed not only to introduce scientific personnel management in the public sector, but also to calm the public sector union movement, which had become radicalized under the influence of communism. His draft would have prohibited labor negotiation to determine salaries and created a National Personnel Authority, but the Japanese government enacted the National Public Service Act, leaving its contents ambiguous. As a result, labor-management disputes among public employees did not stop even after the enactment of the National Public Service Act. Within GHQ, the ESS Labor Division, which advocated guarantee, and the GS Civil Service Division, which advocated restriction, were at odds over the basic labor rights of public employees. Finally, General MacArthur decided to restrict the collective bargaining and the right to strike, issuing the MacArthur Letter in July 1948. At the end of July, the Japanese government issued Cabinet Order No. 201 in response to this Letter. Labor negotiations by public employees were suspended and all existing collective agreements were nullified. The National Public Service Act was revised in November to implement the Cabinet Order. Based on the revised National Public Service Act, the National Personnel Authority (NPA) was established in December as an independent central personnel agency.

(2) Early days of the NPA

The NPA is responsible for ensuring fairness in personnel management and protecting the benefits of national public employees under the National Public Service Act. Its main functions are to conduct recruitment examinations and

¹After the defeat in World War II, the Japanese government was placed under the occupation rule of GHQ until the Treaty of Peace with Japan came into effect on April 28, 1952.

²He had served as head of the Civil Service Assembly of the United States and Canada.

training programs, establish standards for appointment and dismissal that ensure fairness in personnel management, make recommendations to the Diet and the Cabinet on remuneration and other working conditions for national public employees to compensate for the restriction of basic labor rights, study domestic and international personnel management systems, and implement personnel management measures that are able to meet the needs of the times.

In its pioneering years, the NPA faced a great deal of opposition from both inside and outside the Japanese government. There were several reasons for this. One reason was its heterogeneity as an organization. Unlike other ministries and agencies, the NPA is an independent administrative commission with three commissioners (one of whom represents the NPA as president) appointed with the approval of the Diet³. This independence is also unique. The NPA is not subject to the National Government Organization Act and can manage its own internal organization. Its budget cannot be freely modified by the Cabinet, and although it is under the jurisdiction of the Cabinet, it is not under Cabinet control and supervision. Furthermore, Hoover disliked the academic cliques of Tokyo Imperial University, which had produced many of the prewar public officials, and stipulated in the National Public Service Act that no two of the three commissioners could be members of the same political party or graduates of the same department of the same university. He selected a constitutional scholar from Keio University as the first president of the NPA. Since many of the executive officials in other ministries were graduates of Tokyo Imperial University, they had an antipathy to the NPA, which was hostile to academic cliques.

The second reason was the concern that the NPA would encroach on the personnel authority of each ministry and agency. To establish scientific personnel management, the NPA began to create a job classification system as a basis for this. The job classification system was designed to determine remunerations and appointments according to duties, and was incompatible with prewar personnel management, which assigned status and duties to individual officials without a strict classification of duties. Ministries and agencies were reluctant to cooperate in job classification and were uncomfortable with the new personnel management through the job classification system.

Ultimately, the NPA decided in the mid-1950s not to implement a job classification system. This was because the detailed American-style job classification did not fit Japan's fluid job assignment to a work unit known as the “large room principle (obeyashugi)”. The NPA then decided to use the salary grades as a substitute for the job classification system to fit Japanese personnel management.

The third reason was the remuneration recommendations, which were unpopular with both labor and government. The labor side preferred to set remunerations through collective bargaining rather than recommendation, while the government side found it burdensome to implement a recommendation each year that did not take into account the financial situation. In fact, it took 22 years for remuneration recommendations to be fully implemented in 1970.

Due to this backlash, the NPA was in danger of being abolished after the GHQ occupation ended. The debate over the NPA focused on its independence, the scope of its authority, and the issue of basic labor rights. Some scholars questioned the constitutionality of the NPA, arguing that its independence had no constitutional basis, and others challenged the validity of the NPA's rules regulating the political conduct of public employees. Since the NPA served as a compensatory measure for the restriction of basic labor rights, the abolition or downsizing of the NPA was also discussed in terms of basic labor rights. Opposition parties such as the Socialist Party and the Communist Party (LDP), together with the public sector unions, demanded full guarantees of basic labor rights, but the conservative Liberal Democratic Party, which had been in power for a long time, opposed them. In the end, the NPA remained as a compensatory measure for restricting basic labor rights.

Beginning in the late 1950s, the ratification of ILO Convention No. 87, along with discussions on employee organizations (public sector unions), led to a proposal to reorganize the NPA, which had nothing to do with the Convention. Eventually, in 1965, the National Public Service Act was amended to clarify the government's responsibility as an employer, and the Prime Minister

³Appointment and dismissal of Commissioners are attested by the Emperor.

was positioned as the central personnel management authority responsible for certain matters relating to efficiency, welfare, and service discipline, as well as the coordination and integration necessary to maintain uniformity in personnel management. The Personnel Bureau was established as a secretariat in the Prime Minister's Office. The role of the NPA was not significantly changed by this amendment. Despite various difficulties, the NPA has taken root as a result of its efforts to realize a neutral and fair public service system based on the characteristics of Japanese personnel management.

2. Characteristics of the National Public Service up to the 1980s

The postwar public service system, which was formed alongside the establishment of the NPA, had the following characteristics.

(1) Autonomous personnel management by each ministry and agency

The system, in which both the NPA and the Prime Minister as the central personnel management agencies administer uniform rules, appears to be centralized, but each ministry and agency has a high degree of autonomy in its operation. For example, the NPA conducts common recruitment examinations, but each ministry and agency interviews and decides who will be hired from the list of successful candidates. In addition, although bound by the fixed number of employees per salary grade, each ministry and agency has the autonomy to appoint its employees⁴. The “family system (Ikkasyugi)” in which each ministry handles everything from recruitment to reemployment after retirement, has often been criticized as fostering sectionalism.

Personnel management in ministries and agencies is also independent of politics. The Japanese public service is based on a merit system, from the position of clerk to vice-minister of administration, and is required to be politically neutral. Political activities of personnel have been limited, and interference in personnel matters by politicians has been suppressed. Of course, good relationships with politicians have been an important factor in promotion to senior positions, but even the minister, as the appointing authority, avoids direct intervention in personnel matters regarding public employees.

(2) Severe Restrictions on Basic labor rights

GHQ's postwar reforms resulted in greater restrictions on basic labor rights than in other countries. The restrictions are listed in Table 1.

< Table 1 Current Situation of Basic Labor Rights >

Category		Right to organize	Right of Collective Bargaining		Right to Strike
				Right to Conclude Collective Agreements	
National public employees	Employees under the Remuneration Act	○	△ (※ 2)	×	×
	Police officers Coast Guard officials Penal institution employees	×	×	×	×
	Employees of agencies engaged in administrative execution	○	○	○	×

※ 1 ○ indicates a right recognized; △ indicates a right partially denied; and × indicates a right denied.
 ※ 2 Labor-management negotiations can be carried out.

⁴ The NPA used to determine the fixed number for each salary grade, but since 2014, the newly established Cabinet Bureau of Personnel Affairs has been making this decision, and the National Personnel Authority gives its opinion on the number of classified positions.

Source: National Personnel Authority, Introduction to National Public Service System in Japan, 2023, p.21

The constitutionality of the restrictions on basic labor rights in the National Public Service Act has long been disputed in court, but the Supreme Court's 1973 decision declaring the restrictions constitutional is now the prevailing view. According to the ruling, public employees are guaranteed basic labor rights under Article 28 of the Constitution, but the restrictions are necessary and unavoidable because of their special status, the public nature of their services, the principles of determining working conditions by law, the absence of market restrictions in the public sector, and the existence of NPA recommendations as compensatory measures.

(3) Principle of Balancing Working Conditions with those in the Private Sector

Due to restrictions on basic labor rights, public servants are unable to conclude collective agreements on working conditions through collective bargaining. To compensate, the NPA issues recommendations based on the principle of equalizing working conditions with those in the private sector. The NPA conducts a survey of remuneration in the public and private sectors, and then compares remuneration between the public and private sectors among people of the same rank, location, education, age, etc., in accordance with the principles of compensation based on duties and responsibilities, rather than simply comparing averages.

This principle of balance has been considered a reasonable method to attract human resources in the labor market, because if working conditions were far worse than in the private sector, people would not become public employees. This has also been important for gaining public understanding and acceptance of the working conditions of national public employees.

In general, the NPA submits a recommendation and a report to both the Cabinet and the Diet every August. The Cabinet considers whether these recommendations should be implemented in consideration of the financial situation and other factors, and if so, prepares an implementation bill. The Diet deliberates and decides whether to pass this bill. In short, being set by law, the working conditions and personnel expenses for public employees are subject to democratic control, and therefore public acceptance and understanding are essential.

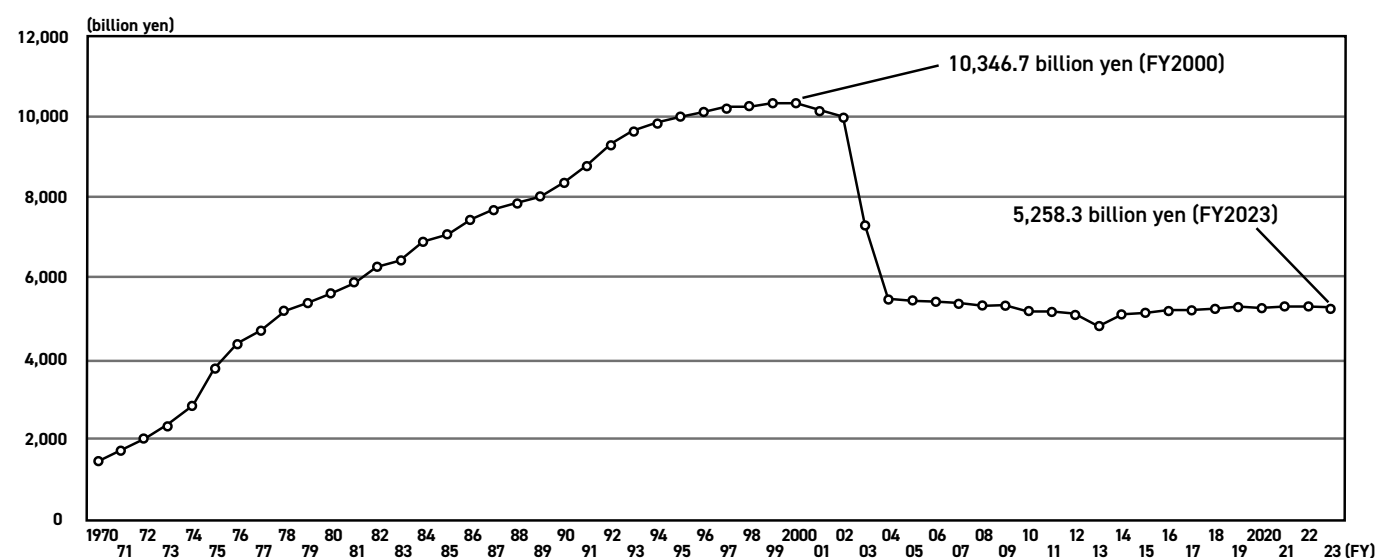
This is in sharp contrast to the prewar period, when the working conditions of government officials were set by Imperial Order, an order of the Emperor, without the participation of the people. Although postwar public employees do not enjoy the high remunerations and privileges of prewar public officials, it is no less significant that they are guaranteed by law the same level of working conditions as those in the private sector. Moreover, it should not be underestimated that the public service system has been placed under democratic principles, which guarantees basic human rights to public employees as well. Postwar public employees are no longer required to serve the Emperor faithfully and indefinitely as prewar officials were.

(4) Strict control of personnel expenses

Since the postwar public service system emphasized public understanding and acceptance, personnel expenses have been kept under strict control by the government and public opinion. As shown in Figure 1, personnel expenses for national public employees reached 10 trillion yen in FY2000, but have since been halved by FY2023 due to the incorporation of national universities, the privatization of Japan Post, and the total personnel cost reforms described below. The net value of the general and special accounts has increased about 18 times in the 53 years since FY1970, while personnel expenses have increased about 3.5 times.⁵

⁵ The data of general and special accounts are referred from Budget Reference Documents according to Article 28 of the Fiscal Finance Act. The net total was ¥14,382 billion in 1970, ¥253,643 billion in 2023.

Figure 1 Change in personnel expenses for national public employees (initial budgets)



Source: Ministry of Finance Budget Bureau, Personnel Expenses for Public Employees FY 2023, p.2

https://www.mof.go.jp/policy/budget/budger_workflow/budget/fy2023/seifuan2023/21.pdf

Note 1. Personnel expenses include basic salaries, allowances, and overtime pay, retirement allowances and contributions to the National Public Servants Mutual Aid Association.

Note 2. General and special accounts combined.

Note 3. The decrease in FY2003 due to the conversion to a postal public corporation, and in FY2004, due to the incorporation of a national university, etc.

Regarding remuneration, the NPA recommendations were not fully implemented until 1970, and public opinion was sympathetic to public employees' low remuneration. However, once the full implementation of recommendations took hold, public opinion turned harshly against increased remuneration for public employees, and reduction of this remuneration became a political issue during each administrative reform. A prime example is the failure to implement the NPA recommendation in 1982, under the strong influence of the Second Ad Hoc Commission on Administrative Reform.

The number of public employees has also been strictly limited. After a large-scale reduction in the 1950s, the number gradually increased, but the Total Public Service Capacity Law was enacted in 1969 to set a ceiling on the total number of full-time national public employees. Under the law, uniform capacity reduction plans were implemented, and the reduced capacity was reallocated due to new administrative needs. Even during periods of high economic growth when administrative needs were expanding, there was almost no increase in the number of full-time employees covered by the Law. After the administrative reforms in the 1980s, the number of employees gradually decreased. Since it is difficult to disregard the NPA recommendations as a compensatory measure for restrictions on basic labor rights, capacity reduction has always been the leading option for reducing personnel expenses.

Such capacity reductions were easily justified by the "large room principle" in the Japanese public service. As mentioned above, since a job classification system could not be implemented, duties are assigned on a division basis, which is called the "large room principle". The assignment of duties among individual employees is fluid, and even when capacity is reduced, the division is required to perform the same or more duties than before by increasing the number of duties per employee in the name of "efficiency". As a result, the number of public employees in Japan has become one of the lowest in the world in terms of the ratio of public employees to population.

(5) Entrance sorting of Careers and Non-Careers and side-by-side promotion based on year of employment

If a U.S.-style job classification system had been in place, Japan might have adopted a position system in which open recruitment was used whenever a vacancy occurred. However, by abandoning the introduction of a job classification system, Japan became a closed career system in which new graduates were hired in batches and trained through on-the-job

training over several decades. This closed career system is characterized by entrance sorting of Careers and Non-Careers (Iriguchisenbetsu).

Public employees who pass the most difficult recruitment exams were called "Careers" and were promoted at a faster rate than Non-Careers, moving every year or two and being coached to become excellent 'generalists' through experience in a variety of positions under the direction of the minister's secretariat. Personnel management placed great emphasis on the year of entry into the ministry, and contemporary Careers were promoted side by side in friendly competition until they reached the position of division director in their 40s. Due to the limited number of positions available at the division director level and above, those who could not be promoted were forced to retire early and moved into the private sector, etc. This personnel practice is called "up or out". When an administrative vice minister, the ultimate winner of the competition, was promoted, the rest of their contemporaries (and their predecessor, if they remained) retired from their positions.

Non-Careers, on the other hand, were often recruited locally and spent more time moving within a narrower range than Careers to become "specialists" in their respective fields. Their promotions were slow, and even the most successful rose only to the level of division director in the main ministry, with none becoming an administrative vice minister.

The disparity in promotion between Careers and Non-Careers had often been criticized as unfair and a remnant of pre-war status discrimination between the Emperor's officials and other employees, since it was based on a one-time selection at the time of recruitment rather than on an evaluation of their abilities and performance as public employees.

(6) Tendency to favor law graduates as all-rounders and Academic Cliques

Another inequality that has been pointed out since the prewar period is the difference in personnel management between administrative (Jimu-kan) and technical (Gi-kan) employees. Administrative employees tend to have liberal arts backgrounds (law, economics, etc.), while technical employees tend to have scientific backgrounds. Criticism has persisted that technical employees are at a disadvantage in terms of promotion compared to administrative employees. There are few management positions available for technical employees, and the number of administrative vice-ministerial level positions for them has been limited to ministries such as the Ministry of Land, Infrastructure, Transport and Tourism, the Ministry of Health, Labor and Welfare, and the Ministry of Education, Culture, Sports, Science and Technology.

Underlying this inequality is the legal universalism associated with academic cliques. Since the prewar days of the Emperor's officials, the cadets and executive officials known as the "Kobun Gumi"⁶ were predominantly graduates of the Tokyo Imperial University Law School. Although the Tokyo Imperial University Law School was originally established as a training school for bureaucrats and was exempt from examinations in the early years, even after the war, many of the successful Careers officials were graduates of the University of Tokyo, Faculty of Law. It should be noted that the University of Tokyo has always ranked first in terms of the number of students passing the career track examination, both before and after World War II, and that the legal category still has the largest number of recruits in the career track examination for university graduates.

(7) Re-employment called "Amakudari"

The Amakudari (literally "descent from heaven" – in other words, "golden parachute") is a practice in which the ministries and agencies take care of the re-employment of retiring public employees. It has long been criticized for several reasons. One is that the salary and retirement benefits are higher and more favorable than private sector re-employment. The more successful a public employee, the better the conditions of their re-employment. Moreover, there were cases of retirees earning

⁶ Kobun Gumi is derived from the name of a recruitment examination for the cadets called Koto Bunkan Shiken, which was held until 1948.

several hundred million yen after retirement because they repeatedly re-employed themselves at different corporations with severance pay every few years. The second reason is that corporations that accept retired public employees may receive discretionary contracts for government work, which could become a hotbed of collusion between the public and private sectors. The third reason was that in some cases, corporations with little necessity were created to accept retired public employees, and government money flowed to them, wasting taxpayer money.

On the other hand, Amakudari had benefits within both the public and private sectors. The public service system did not have a mandatory retirement system until 1985⁷, and it was necessary to maintain organizational renewal by combining early recommended retirement with re-employment. Even after the mandatory retirement age of 60 was introduced, there was still a need to provide for the re-employment of Careers who lost the competition for promotion and retired at around 50. For talented Non-Careers who were dissatisfied with their promotions, Amakudari had some effect in alleviating their dissatisfaction by helping them find new jobs with favorable conditions. Moreover, even though they were paid less as public employees, the fact that they could earn more after being re-employed was a plus for attracting the best talent in the labor market. In the private sector, the benefits of accepting retired public employees as a pipeline to regulatory agencies were not small.

The Amakudari was not completely free, and prior approval from the NPA was required for re-employment within two years of retirement in a corporation closely related to the duties performed during the five years prior to retirement. Therefore, it was common for retirees to work for the first two years in a semi-private corporation, which did not require prior approval from the NPA, and then move to a private corporation. The ministries and agencies took care of and coordinated the re-employment of retired alumni, a process that was repeated after their retirement.

Despite strong criticism, a total ban was not possible because public employees also have the freedom to choose their professions under the constitution. Since 1979, successive cabinets have made cabinet decisions to try and curb Amakudari, but to no avail.

3. Reform of the National Public Service System since the 1990s

The national public service system, created by post-war reforms, has continued without major change for more than half a century. Since the 1990s, however, several reforms have been implemented in response to the need to reform the public service system to make it more responsive to the changing times.

(1) Enactment of the National Public Service Ethics Act

In postwar Japan, public trust in the public service was relatively high, and the public service was a popular profession. In the 1990s, when the Ministry of Finance, which was considered the most powerful ministry, was exposed for excessive business entertainment, distrust of public officials increased dramatically. This issue led to the enactment of the National Public Service Ethics Act in 1999, which prohibits the acceptance of entertainment or gifts of money or goods from interested companies and requires compliance with standards of ethical conduct that do not raise public suspicions about the fairness of public administration.

(2) Consideration of Reforms in the Public Service System Study Council

Around the time a series of scandals were uncovered, it was widely recognized that the entire public administration was suffering from institutional fatigue due to its inability to adapt to new socioeconomic conditions.

In 1996, the government of Ryutaro Hashimoto established the Administrative Reform Council to study the reorganization of central ministries and agencies. This was followed in 1997 by the establishment of the Public Service System Study Council as an advisory body to the prime minister, which began studying fundamental reform of the public service system.

In 1999, the Council's report recommended that the public service system be transformed into a flexible and efficient management system to deal with increasingly complex and demanding administrative issues and changes in the employment environment, and to restore public confidence by strengthening its capacity. It also identified "openness", "diversity and flexibility", "transparency", "emphasis on ability and performance", and "emphasis on autonomy" as perspectives for reform.

Although the direction of the report was carried over into subsequent reforms, the report as a whole tended to call for improvements in operations that were not systemic and did not meet expectations for drastic institutional reform.

(3) Opposition to the Outline for Reforming the Public Service System

Ryutaro Hashimoto, even after he stepped down as prime minister, was keen on reforming the public service system along with the reorganization of central ministries and agencies. In the Mori administration he personally stepped forward as the minister in charge of administrative reform and proposed a new personnel system, which was approved by the Cabinet in December 2001 as "the Outline for reforming the public service system".

The Outline attracted much attention, including a revision of the recruitment examination system, the promotion of private sector personnel, the establishment of a National Strategic Staff to assist the prime minister in planning and formulating major Cabinet policies, the reduction of the authority of the NPA, and the introduction of a competency grade system.

However, the Outline was also strongly criticized for being pushed through the Cabinet without sufficient coordination among the parties concerned; for transferring the authority for prior approval of re-employment from the NPA to the Ministers of each ministry, effectively facilitating Amakudari, which was opposed by public opinion; and for the unchanged restriction of basic labor rights, which was opposed by the labor unions. As the result, the revision of the National Public Service Act based on the Outline was abandoned.

(4) Diversification of appointments

Drastic reform of the national public service system did not proceed, but some reforms were implemented. One such reform was the diversification of appointments.

In 1999, the Public-Private Personnel Exchange Law was enacted, which in principle allows personnel exchange of up to three years between the national government and private enterprises through the NPA. The exchange consists of dispatches from the national government to private enterprises and appointments from private enterprises to the national government. While the main purpose of the exchange is to develop human resources, it also aims to utilize the efficient and flexible business operations of private enterprises within administrative management and to promote mutual understanding between the public and private sectors. Several institutional changes have been made to activate an adequate exchange by 2023, but the imbalance between dispatch and appointment is a major challenge. The number of dispatched personnel has been low, in part because of staffing cuts, and in 2022, represented only one-tenth of the appointed personnel from the private sector⁸.

In 2000, the Fixed Term Appointment Law was enacted, which allows highly specialized personnel, such as lawyers and certified accountants, to be paid a higher salary level commensurate with their expertise and experience, for a period not to exceed five years. Fixed-term appointments are also used to replace employees on childcare leave. In 2007, the childcare leave system was extended to include the parallel appointment of two childcare part-time employees to the same position, and childcare part-time ability to reduce working hours until a child enters elementary school was introduced to promote greater

⁷ GHQ did not recognize a mandatory retirement system as discriminatory based on age.

flexibility in appointments.

(5) Total personnel expenses reform

When public service reform was stalled, the Junichiro Koizumi administration undertook total personnel expenses reform as a pillar of the integrated expenditure and revenue reform to restore fiscal soundness. This reform aimed to reduce total personnel expenses by focusing on a net reduction in the number of national and local government employees and reforming the salary structure over a five-year period starting in 2006. In terms of downsizing, a net reduction target of at least 5% was set for national public employees, and this target was achieved with a reduction of 5.3%. In addition, the number of public employees was also drastically reduced by the incorporation of all national universities in 2004 and the privatization of Japan Post in 2007, both of which were to create a “small government”.

The reform of the remuneration structure reduced the average salary level by 4.8% and introduced a new regional allowance of 3-18% (currently 20%) to better reflect regional private sector wages. Moreover, starting with the NPA recommendations in 2006, the size of the private enterprises surveyed was changed from 100 or more to 50 or more employees, and salary levels were more restrained than in the past. The salary schedules were also revised to flatten the seniority-based salary increase curve, strengthen the character of salaries for duties and abilities, and reflect performance in salary increases and bonuses. Several changes were made, including the creation of a new Headquarters Duty Adjustment Allowance for busy HQ employees.

4. 2007 Revision of the National Public Service Act

With the reform of the public service system at a standstill, the National Public Service Act was revised in 2007 to introduce a personnel evaluation system and to revise regulations on re-employment, based on the policy of “implementing reforms as soon as possible”.

(1) Establishing a Personnel Evaluation System to Ensure a Merit-Based System

The thorough implementation of the merit system has always been a central issue in the reform discussions of the 1990s. Following the trend of performance-based evaluation in the private sector, it was thought that the public service system should also manage appointments and salaries based on strict personnel evaluation and limit seniority-based personnel cost increases.

Then, the old performance evaluation system, which had become a formality, was abolished, and a new personnel evaluation system was introduced in 2009, consisting of a performance evaluation twice a year and a competency evaluation once a year. The previous practices of regular salary increases and bonuses based on the length of service was abolished and replaced by a system of salary increases and bonuses based on the results of evaluations. The results of personnel evaluations were to be used not only in salaries, but also in promotions, other appointments, and human resource developments etc. With the introduction of the personnel evaluation system, the National Public Service Act officially abolished the job classification system, which had been prescribed but not implemented.

(2) Revision of Re-employment Regulations

Under the revised National Public Service Act, the NPA's prior approval was abolished and re-employment mediation by individual ministries and agencies was prohibited. Instead, the Center for Personnel Interchanges between the Government and Private Entities was established within the Cabinet Office to provide outplacement services. The new rules prohibit public employees at the assistant director level and above from seeking re-employment with interested companies while in office, but

allow them to be re-employed soon after retirement with such companies. Re-employed former public employees are generally prohibited for two years from lobbying their home ministries on matters they were responsible for during the five years prior to retirement, and are prohibited for life from lobbying for contracts, etc., that they have decided on and that pertain to their new employer. Former executive officials were required to notify the Cabinet of their re-employment for two years after retirement, and this information would be made public by the Cabinet.

A third-party organization, the Reemployment Surveillance Commission, was also established in the Cabinet Office to monitor violations of the new regulation. The commission, which initially could not appoint commissioners due to opposition from the then opposition Democratic Party, began its work in 2012 and has found several violations of the re-employment regulations.

Some have argued that the new regulation has made it more difficult for public employees to find new jobs than before, but on the other hand, alumni now provide re-employment assistance on behalf of ministries and agencies, and public employees can be reemployed by interested companies without waiting two years. Some point out that re-employment is still more advantageous than in the private sector.

5. Reforms under the Basic Act on the Reform of the National Public Service System

Consideration of fundamental reform of the public service system led to the enactment of the Basic Act on the Reform of the National Public Service System in 2008, and reforms based on the Basic Act have continued since then.

(1) Until the enactment of the Basic Act on the Reform of the National Public Service System

Although relations between the government and the public sector unions, which were dissatisfied with the Outline for Reforming the Public Service System, had been poor for some time, the government and RENGO (the Japanese Trade Union Confederation) agreed to study the issue of basic labor rights in detail, and in 2006 an expert committee was established by the Administrative Reform Promotion Headquarters.

Since the 1990s, the guarantee of basic labor rights for public employees had gained support not only from traditional innovative political parties and unions, but also from some conservative politicians who believed that collective bargaining was more likely to reduce remunerations in times of financial difficulties. The minister in charge of reforming the public service system at the time was also in favor of collective bargaining for public employees, and in 2007 the expert committee issued a report that included reforms to a system in which labor and management would decide working conditions autonomously and the right to conclude collective agreements for some public employees.

In the same year, the Advisory Council on the Comprehensive Reform of the Public Service System was established at the request of the Prime Minister to comprehensively examine issues related to the entire public service personnel system in general, except for basic labor rights. In 2008, the Council issued a report with proposals, which led to the Basic Act on the Reform the National Public Service System being enacted that same year⁹.

The Basic Act is a program law that lays out the basic policy for comprehensive reform of the national public service system. Its main objectives were to reform the public service system to make it more responsive to political leadership and to correct sectionalism, and it included the abolition of the career system and the introduction of centralized management of executive officials. After the Basic Act was passed, attempts were made to revise the National Public Service Act and other laws to implement its contents.

⁸ National Personnel Authority, Annual Report 2022 Digest version. There were 37 new dispatches and 378 new appointments in FY2022. <https://www.jinji.go.jp/kisya/2303/R4kanmin.html>

(2) Review of basic labor rights under the DPJ government

The Democratic Party of Japan (DPJ) government, which came to power in 2009 with labor unions as its support base, actively worked to restore the basic labor rights of public employees on the basis of the Basic Act.

However, the bill to amend the National Public Service Act, which would abolish the NPA and create a new system for determining the remuneration of public employees through collective bargaining, was not passed. The amendment bill was submitted to the Diet in combination with a special measures bill to cut salaries by an average of 7.8% for two years starting in FY2012 under the guise of “for reconstruction from the Great East Japan Earthquake of March 2011”, but only the salary cut bill was enacted.

The reasons were: the communist-affiliated labor unions strongly opposed the attempt to restore basic labor rights in combination with the salary cut; some people, such as municipal mayors, opposed the abolition of the NPA recommendations, which would make collective bargaining much tougher; and the general public had little interest in the basic labor rights of public employees; the management of the Diet became more difficult as the popularity of the DPJ government declined.

Later, when the LDP government returned in 2012, the revision of basic labor rights was no longer the main theme of reform, and the remunerations recommendation system has continued to this day.

(3) Establishment of the Cabinet Bureau of Personnel Affairs and the centralized management of executive officials

Since 2012, the second Abe administration has focused on restructuring the public service system for political leadership: in 2014, the National Public Service Act was revised to institutionalize the Cabinet Bureau of Personnel Affairs, which serves as the strategic center for the personnel management of national public employees, and the centralized management of executive officials. This was truly a reform that changed the relationship between politicians and public employees.

The centralized management of executive officials is intended to correct the adverse effects of sectionalism caused by decentralized personnel management at the ministry level and to ensure political leadership centered on the Prime Minister's Office by managing all executive officials at the deputy director general level and above under the leadership of the Chief Cabinet Secretary.

Specifically, (i) the Chief Cabinet Secretary conducts an aptitude screening on candidates recommended by ministers based on their personnel evaluations to determine whether or not they are capable of performing the standard duties of executive officials; (ii) those who pass the screening are placed on a list of candidates for senior positions; and (iii) the Prime Minister, the Chief Cabinet Secretary and a Minister who is the appointer, shall consult with each other and decide on the appointment and dismissal of executive officials by selecting suitable candidates from the list.

This system is unique in that it allows the Prime Minister's Office to be directly involved in the appointment of executive officials who are not political appointees¹⁰. The criteria used by the Chief Cabinet Secretary to determine eligibility are abstract and lacked specificity¹¹. As the second Abe administration became a long-term government, public employees have been criticized for fearing the Prime Minister's Office and trying to cater to its wishes.

(4) Fostering Courses for Executive Candidates

Another centerpiece of the 2014 revision of the National Public Service Act is the establishment of a new fostering course for executive candidates, which will replace the existing career system. While the recruitment examination system

⁹ The opposition Democratic Party of Japan objected to the regulation of contact between politicians and public officials, but an agreement was reached in the form of disclosure of information on contact, and the basic Act was passed.

was reformed in 2012 to abolish the Career/Non-Career entrance sorting, this course will select executive candidates at any time by each Minister from among officials who have had work experience for a certain period (3 to 10 years after initial appointment), based on their wishes and personnel evaluation, regardless of the category of the recruitment examination. The program is designed to develop candidates comprehensively and systematically for executive positions.

Although many of the executive candidates are those who have passed the Comprehensive Service examination, which is considered to be for cadets, there are also those who have passed other types of examinations, and the Career/Non-Career entrance sorting has become a formality.

Since 1999, there had been a system for selecting outstanding Non-Careers and promoting them to the level of division director or higher through training and on-the-job training, and the number of Non-Careers promoted to managerial positions continues to increase under this new course. In 2020, a Non-Career employee was promoted to an administrative vice minister level position in the Ministry of Education, Culture, Sports, Science and Technology.

6. Remaining challenges

In 2015, the government began promoting the “Dynamic Engagement of All Citizens (Ichioku Soukatsuyaku Shakai)” which aims to maintain the population at 100 million even in an era of declining birthrates and an aging society, and to create an all-participating society in which everyone can play an active role at home, at work, and in the community. To achieve this society, the Abe administration accelerated efforts to reform work styles, promote women, and raise the mandatory retirement age in the public service.

(1) Work style reform

The main pillars of work style reform for national public employees are (1) realizing diverse and flexible work styles, (2) improving long working hours, and (3) supporting work-life balance.

Regarding (1), there are several systems that allow greater flexibility in managing working hours: a system that allows employees to set earlier (later) than normal working hours, a flextime system with a minimum of 2-4 hours per day within 38 hours and 45 minutes per week, and special leave for various reasons such as infertility treatment and volunteer work. In March 2023, an expert panel of the NPA proposed a three-day workweek, an 11-hour interval system between offices, and teleworking if it does not interfere with work duties. Further reforms are also expected in the future.

Regarding (2), this has been a long-standing problem in the national public service, but improvements have not progressed well. Various causes have been identified, such as the need to respond to the Diet, the ever-increasing number of new policies and sudden policy changes, the need to respond to disasters and emergencies, the shortage of manpower, the old-fashioned mindset that takes long working hours for granted, and the delay in the digitalization of administrative procedures. Overtime for public employees is generally limited to 45 hours per month or 360 hours per year, or less than 100 hours per month or 720 hours per year for employees in departments with a high proportion of heteronomous work. However, the head of each ministry or agency may order public employees responding to major disasters or performing highly important or urgent work to exceed the maximum limit. Responding to the recent COVID-19 and major disasters has put a heavy physical and mental strain on public employees and led to the departure of younger employees.

¹⁰ The Cabinet Personnel Review Council, established in 1997 by the Chief Cabinet Secretary and three Deputy Chief Cabinet Secretaries, has conducted preliminary reviews of appointments at the director-general level and above, but has generally approved proposals submitted by each ministry and agency.

¹¹ The Cabinet Order pertaining to the aptitude screening and the list of candidates is to be established after hearing the opinion of the National Personnel Authority.

Regarding (3), public employees involved in childbirth, childcare, and even nursing care can take advantage of a variety of programs for both men and women, ranging from shorter hours to three-year leaves. More recently, public employees have been able to split their leave into two or three installments and take leave in 30-minute increments, allowing them to take leave as needed. They are also exempt from night work (10 p.m. to 5 a.m.), and overtime is limited to 24 hours per month and 150 hours per year, except in the case of a disaster. In a survey conducted in FY2021, the percentage of male public employees taking childcare leave was 62.8%, and the percentage taking at least five days of combined leave for spouse childbirth and childcare participation increased to 87.1%¹². The number of public employees taking childcare leave also increased for both full-time and part-time employees.

As described above, the work styles reform has made some progress, but improving long working hours remains an important issue to be addressed in the future.

(2) Promotion of Women's Activities in the public service

Even after the enactment of the Equal Employment Opportunity Act in 1985, women's participation in society in Japan has not advanced as much as in other countries. The main reasons are a strong gender-role consciousness that women should ideally retire and stay at home after marriage and childbirth, and a reluctance to appoint women as managers or candidates for management positions on the grounds that women cannot be entrusted with responsible jobs. Women also avoided long working hours, job transfers and a male-dominated workplace culture, and were not motivated to develop their own careers.

To improve this situation, in 2015, the Act on the Promotion of Women's Active Engagement in Professional Life was enacted, requiring the national government, local governments, and corporations to monitor the status of women's activities, analyze problems, set numerical targets, and formulate and disclose action plans.

According to statistics for FY2022, the percentage of women in the national public service is around 40%, but the percentage is 28.3% for positions equivalent to unit chief, 14.1% for assistant director, 6.9% for division director, and 5.0% for higher positions (Designated Service) in the Headquarters¹³. Although the Prime Minister's Office has taken the initiative to appoint women as vice-ministers of administration and heads of offices, the number of women in managerial positions has not reached the target set by the Council for Gender Equality for 2025¹⁴. This is largely due to the fact that the percentage of women recruited in the most difficult examinations for cadets was low, but this percentage has been gradually increasing in recent years, reaching 34.5% of those who passed the Comprehensive Service examination and were appointed in FY2022.

In order to increase the proportion of female executive officials in the future, it is important to continue to increase the proportion of female recruits, correct inequities based on gender, create an environment in which women can actively take on new challenges by reforming work styles, and ensure a fair merit-based system that does not simply give preferential treatment to women.

(3) Raising the mandatory retirement age

As Japan's aging population and declining birthrate have led to a serious labor shortage, and as the starting age for pension benefits was raised, the need for continued employment of older people with a strong work ethic has increased in both the public and private sectors.

Since 2001, reappointment has been used to guarantee income during the gap between retirement and the start of pension

¹² National Personnel Authority, Annual Report, 2022, p.169 & p.171.

¹³ Cabinet Bureau of Personnel Affairs, Follow-up on the status of promotion of female national public servants, 6 Dec 2022. https://www.cas.go.jp/jp/gaiyou/jimu/jinjikyoku/pdf/20221206_siryu7.pdf

payments, but most reappointments so far have been short time works for supplementary duties and cannot fully utilize the abilities and experiences of public employees over 60 on a full-time basis. As a result, the National Public Service Act was revised in 2021 to gradually raise the mandatory retirement age from 60 to 65 over an eight-year period starting in 2023 to promote the employment of elder public employees for the realization of "the Dynamic Engagement of All Citizens"¹⁵.

However, the increase in mandatory retirement age is subject to the following conditions: stepping-down from managerial to non-managerial positions at age 60, and a salary cut by 30% for those over 60. Although these conditions can't be fully explained from the perspective of ability and performance for each position or duty, they are unavoidably imposed to balance the private sector trend of lowering salaries for those over 60. Both the public and private sectors still have seniority-based personnel systems, so raising the retirement age could lead to a shortage of managerial positions and an increase in personnel expenses. To move to personnel management system based purely on ability and performance without regard to age, it is necessary to properly continue to conduct job analysis and personnel evaluations and to gain public understanding of the necessary personnel expenses.

(4) Declining popularity of public service

The most serious problem today is the decline in the popularity of public service as a career. The number of successful applicants from the University of Tokyo, once considered an academic clique, has dropped by half over the past 10 years¹⁶, and the number of employees who retire after less than 10 years has continued to rise. In recent years, the number of applicants for the National Public Service examination has declined, making it difficult to recruit top talent. While a number of those surveyed by the NPA cited the difficulty of studying for the exam as a reason, three underlying problems have been frequently identified.

The first is poor working conditions. Although work style reform is being promoted, long working hours have been exacerbated by COVID-19. Many criticize the high remunerations of public employees, but in reality, the remunerations based on the NPA recommendations are not high at all in urban areas, and working conditions are not as good as in large private companies.

The second reason is the declining attractiveness and satisfaction of the public service profession itself.

In the prewar and early postwar years, public officials were the elite of the nation, and their authority was high. Until the 1960s, public employees, especially Careers, had a sense of mission and were sometimes willing to go toe-to-toe with politicians for the future of the nation. In the 1970-1980s, public employees were involved in interest coordination and policymaking, working closely with politicians under the long-term LDP government. However, with the emergence of the non-LDP coalition government in 1993 and the end of the LDP rule since 1955, people's attitudes toward the relationship between politicians and public officials gradually changed. A series of scandals undermined confidence in the public service system, and when the DPJ government came to power in 2009 with the goal of "De-Bureaucratic Politics", Ministers, Vice-Ministers, and parliamentary secretaries began to play a central role in policymaking within their respective ministries and

¹⁴ *ibid.* The targets are 30%(Unit Chief), 17%(Assistant director),10%(Division director), 8%(Designated Service). Target figures are for Headquarters positions.

¹⁵ In 2021, the Revised Law on Stable Employment of Older Persons took effect, requiring the private sector to make efforts to continue employment until the age of 70 or to abolish the mandatory retirement age to ensure job opportunities for workers aged 65 to 70. However, private companies rarely raise their retirement age and often re-employ them. Raising the retirement age of civil servants is a reform to lead the private sector.

¹⁶ According to data released by the NPA, the number of successful applicants from the University of Tokyo in the Comprehensive Service Exam (Spring) was 454 in 2013 and 193 in 2023

agencies, and the role of public officials declined.

Subsequently, the long-term Abe administration since 2012 has further strengthened political leadership, which, combined with reforms such as the centralized management of executive officials, has led to a definitive dominance of the Prime Minister's Office. The passive role of public officials lost its appeal, especially among the younger generation.

The third reason is dissatisfaction with personnel management. Although there has been a shift to a merit system based on personnel evaluations, the seniority system based on the year of entry into the ministry still prevails for promotions, and there are few internal job openings. Young public employees are often given support jobs and are unable to take on major challenges. There are also concerns that the career system, which has been replaced by a new Fostering Courses for Executive Candidates and centralized management of executive officials, has made it difficult to see what the future holds in terms of career prospects 20 or 30 years from now. The needs of young people who want to grow through work, determine their own careers, and develop their own prospects are not being adequately met, resulting in a loss of human resources to private companies such as consulting firms.

In order to eliminate the above-mentioned causes, we should reevaluate the administrative system on the basis of professionalism and political neutrality, and guarantee proper working conditions in line with the role of "servants of all citizens". Excellent human resources are indispensable for a fair and impartial public administration based on a high level of expertise. The issue of securing human resources in the national public service has reached a critical juncture, as it will determine the future of public administration.

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Development of Human Resources toward Long-term Sustainability

Abstract.....	26
1.0: Introduction	27
2.0: Literature Review	27
2.1: National Economic Development and Human Resource Development.....	27
2.2: Strategic Human Resource Development.....	28
2.3: Strategic Management in the Public Sector	29
2.4: Competencies in Strategic HRD and the Public Sector	29
2.4.1: Definition of Competencies	29
2.4.2: Competencies in the public sector	30
3.0: Initiatives Towards Human Capital Development: Brunei Case.....	31
3.1: Phases of Training Institution Development through Strategic Management Process.....	31
3.2: Development of Public Service Capability Framework.	33
4.0: Case Analysis: Challenges and Opportunities.....	34
5.0: Conclusion.....	35
References	37



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Abstract

This paper aims to examine the significance of combining strategic HRD and strategic management processes in change initiatives in order to achieve organizational stability and effectiveness. The notion stems from the challenges faced by public sectors which have been impacted by the external organizational environment. Public sector organizations increasingly come under constant pressure to deliver quality public services and improve efficiencies. At the same time, strategic HRD becomes an essential function of an organization's planning process in anticipation of growth and change. In addition, competencies continue to become a popular phenomenon in human resource management and HRD discourses in the public sector. With competencies, human resources are said to be more capable and work more effectively, hence contributing to the success of their organization. For this purpose, IPA Brunei is used as the case study to identify the impact of the collaboration process between the strategic HRD and strategic management practices. The historical development of training institutions in Brunei and the development of a public service capability framework as part of the strategic HRD and learning needs analysis to support organizational development will be included. This will be followed by the case analysis to discuss the strength of the systems supporting the successful implementation and the progression of strategic initiatives. It is found that the convergence of strategic HRD and strategic management not only improves and enhances the practice of HRD in organizations but also advances the field of HRD knowledge. Finally, challenges to change initiatives and the way forward to overcome future issues are also briefly presented.

Keywords: Strategic HRD, Strategic Management, Competency, Public Sector.

1.0: Introduction

With emerging technology, the explosion of information, and globalization, the external organizational environment has become more complex, rapidly changing, and uncertain. Stakeholders and clients become increasingly segmented, literate, and demanding. At the same time, internally, the organization also faces employees with diverse demographic and educational backgrounds, with various expectations. The issue of quality of service is becoming increasingly important in public service. As a result, public sector organizations increasingly come under constant pressure to deliver quality public services and improve (Ramseook-Munhurrun, Lukea-Bhiwajee and Naidoo, 2010). The inadequate competencies among public servants and the lack of a systematic system supporting the successful implementation of organizations'intended initiatives and programs could be among the contributing factors. These could have impacted and further influenced how organizations make decisions in managing and developing human resources geared toward competitive advantage. Hence, reinforced the significance of developing human resources which allows organizations to cultivate talented groups, and define the skills and competencies required for their future business strategies.

No doubt researchers and practitioners consider human resource development (HRD) as an improvement strategy in an organization's development. HRD is a relatively young academic discipline but an old and well-established field of practice (Swanson, 2022). There have been evolving definitions of HRD found in the literature. Among them include a definition by Wang et al (2017), that refers to HRD as a mechanism of shaping individual and group values and beliefs and skilling through learning-related activities to support the desired performance of the host institutional system. It has also been agreed that HRD is oriented to solutions to solving problems. While others defined HR as the process of developing and unleashing expertise aimed to improve individual performance, team performance, work processes, and organizational systems.

The substantial impact of developing human capital on the long-term sustainability of an organization and an economy led to the contribution of this article. Thus, to contextualize this paper, the significance of strategic HRD and strategic management processes in change initiatives toward achieving organization and economic sustainability will be discussed first. A distinction in priorities between the public sector and private sectors will also be highlighted to some extent. A Brunei case is also presented for closer collaboration between HRD scholars and HRD practitioners as a means to achieve an understanding of the application of strategic HRD and strategic management process to the transformation objective. The convergence of HRD scholars and HRD practitioners will also help to create research-informed HRD interventions that not only improve and enhance the practice of HRD in organizations but also advance the field of HRD knowledge.

2.0: Literature Review

2.1: National Economic Development and Human Resource Development

There is considerable evidence linking the provision of education and training to the economic well-being of a country. Since the 1980s, interest at national and international levels in the area of HRD and its impact on economic performance has continued to increase. This interest and concern have been predominantly driven by globalization and the increase in international trade; unemployment levels; national budget deficits; international comparisons of the level of education and training; and the development of new technologies. There has also been a recognition that the education of individuals has been a source of personal advancement and growth, and this rationale has been expanded to apply to the intellectual resources of a nation.

The desire to encourage policies that promote economic growth is central to the work of the Organization for Economic Cooperation and Development (OECD). An increased level of involvement by governmental agencies has been directed at the coordination of strategies and the improvement of standards by encouraging investment in adult learning. Furthermore, human development has also been considered by the United Nations Development Programme (UNDP,1996) with the Human Development Index being based on a number of factors including gross domestic product per person, educational achievement,

life expectancy, and level of literacy.

Despite the considerable evidence linking the provision of education and training to the economic well-being of a country, there remains paucity in the evidence of direct causal links (Keep and Meyhew, 1999), between skill formation and economic performance (Ashton and Green, 1996). Factors such as weak infrastructure, poor design, and short-term requirements of returns on the investment were found to have significant effects on the success or otherwise of an economy. Hence, regardless of the irrefutable evidence on the link between education and training and national performance, education and training constitute the single greatest long-term leverage point available to all levels of government in upgrading industry (Porter, 1990).

2.2: Strategic Human Resource Development

The term 'Human Resource Development' was first defined by Nadler and Nadler in 1970 due to the increasing interest in the HRD field among practitioners. The recognition resulted in the explosion of definitions of HRD from various perspectives of development, learning, theory of change, and improved individual and organizational performance. Simply, HRD encompasses activities and processes that are intended to have an impact on organizational and individual learning (Stewart and McGoldrick, 1996). Chalofsky (1992) defined HRD as the study and practice of increasing the learning capacity of individuals, groups, collectives, and organizations through the development and application of learning-based interventions for the purpose of optimizing human organizational growth and effectiveness. Both definitions will be used as guidance in understanding the strategy to develop human resources in this paper.

Over the years the role of HRD has gradually changed ever since management and decision-makers acknowledge the critical role that this function plays in developing strategy and long-term planning for human resources development, hence this is called strategic HRD. Strategic HRD is an essential function of an organization's planning process in anticipation of growth, change, or planned or unplanned events whereby the competencies and skills of the people play a critical role in successful and productive implementation and bring about desired results.

The Strategic HRD framework is the process for HRD that follows four stages that are needs assessment, design, implementation, and evaluation, in order to help an organization identify the training and development needs of their employees and to design and implement programs to meet those needs. At the needs assessment stage or analysis, learning or training needs analysis is required to assess what knowledge, skills, behaviors, and competencies are necessary to perform effectively in a job role. The analysis will help to find gaps in performance, as aligned with business needs, and map those gaps to the right training. Gaps in the competencies are identified and initiatives are proposed to fill up the gaps. This is the design or strategy formulation stage. At the implementation stage, initiatives are implemented to improve human resource capability and finally post-training is done in order to identify the impact of training. This is the evaluation stage. The framework can be seen in Figure 1 (b, c, d and e).

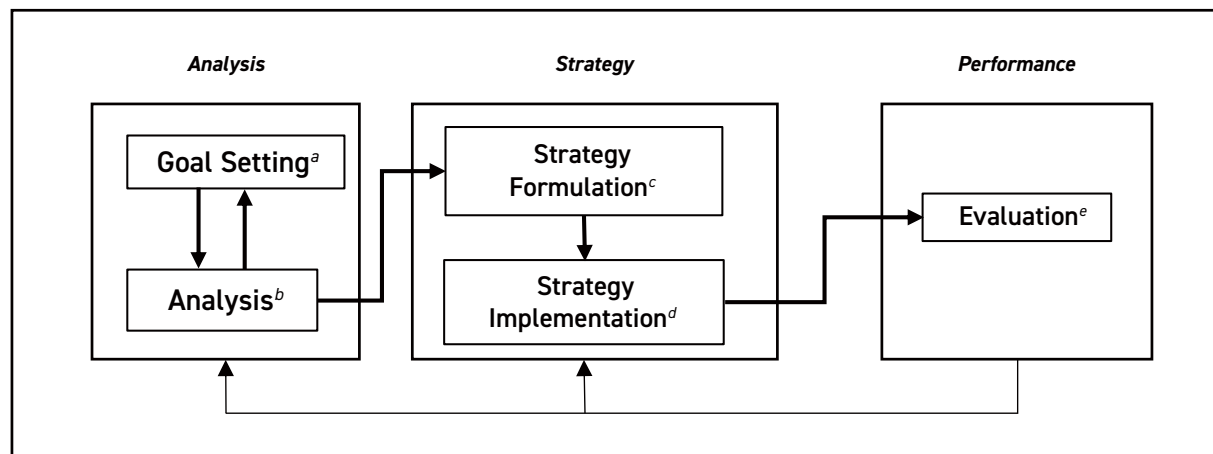


Figure 1: Strategic Management Process and Strategic HRD

2.3: Strategic Management in the Public Sector

Strategic management is a continuous process of setting organizational objectives, drawing up a strategy, and implementing it to derive results using business resources. It is an ongoing process because the process of strategic management is highly affected by the changes in the environment. Another understanding of strategic management is that it is the conscious selection of policies, development of capacity, and interpretation of the environment by managers to focus organizational efforts toward the achievement of preset objectives. Briefly, strategic management is a longer-term, dynamic process and holistic approach. It focused on imagined futures where preparation for the future is to be done today rather than expending all their energy reacting to current demands. Hence strategic management is necessary for an organization to grow parallel to complex and chaotic circumstances since strategic management is the instrument to ensure the organization survives in the short term and builds for a long-term future. This process also helps an organization to re-balance its political priorities to give greater emphasis to one kind of activity, or one dimension of value over another or choose to respond.

Despite many distinctions that have been highlighted in previous research between public sector and private sector organizations including in terms of their priorities set, the process of strategic management is still the same. While the public sector considers more issues such as legal and political environment, and jurisdictional competence, the private sector's intention is profit-making through competitive advantage. Adopting the approach of strategic management is therefore crucial in the public sector. One of the reasons is due to a more complex and uncertain environment. The environment in which the public operates in modern society is constantly changing, and strategic management enables an excellent strategic fit between the public sector and the environment. The public sector can align its internal structures and grow with its strategic choices while matching the organization's capabilities to the requirements of the environment. Secondly, the trends in the internationalization of the world have led to increasingly complex governmental governance while accelerating the pace of social change and making competition between countries more competitive. The public sector needs to take a longer-term view and think strategically to improve its own national competitiveness to cope with the stresses of internationalization. Thirdly, due to the increasing challenge of the public interest. Being said to be the representative of the public interest requires the public sector to balance the interests of the whole with the interests of the present. Thus, requires public managers to have a holistic and long-term view and build a long-term local development strategy to maintain sustainable prosperity, hence strategic management is worthwhile to be adopted.

Among the characteristics of strategic management is foresight. This is a strategy that defines an organization's future directions and objectives or future orientation. Secondly is systematic, such that it involves four stages that are, strategic design, selection, implementation, and evaluation. Strategic design is the prerequisite foundation, strategy implementation is the core key, and strategy evaluation is an important guarantee. Strategic management in the public sector is also dynamic where it seeks development opportunities and identifies threats in the public sector. The government and organizations need to pay close attention to internal and external environmental changes and make targeted adjustments. Fourthly, while the public sector is relatively stable, having a strategy guides behavior over time, and changing it frequently will significantly impact public sector management. From this perspective, government strategic management must be relatively stable to adapt quickly to changes in all aspects of the situation. Nonetheless, despite the differences in objectives, the process of strategic management and HRD framework is apparently similar between the two sectors.

2.4: Competencies in Strategic HRD and the Public Sector

2.4.1: Definition of Competencies

Towards developing human resources, the need for identifying and selecting competencies becomes more prominent. The first era of the existence of competencies began when Harvard Psychologist Robert White triggered the requirement to observe individual competencies for performance in 1959. Then followed by the second phase which involved the creation and management of competency models in organizations (Mansfield, 1996). The third phase was the identification of core

competencies needed to gain a competitive advantage.

Competencies continue to become a popular phenomenon in human resource management and HRD discourses. There has been increasing interest in the development of competencies of human resources in the public sector. With competencies, human resources are more capable and work more effectively, hence contributing to the success of their organization. Moreover, having employees with competencies, allows an organization to distinguish average performers from above-average performers. Earlier, McClelland (1973), produced a provocative study on employees' performance at work. His study found that personal competencies or individual traits and characteristics, were recognized as significant predictors of employee performance and success, and are more important in predicting occupational success than traditional psychometrics such as IQ and aptitude tests. Boyatzis (1982) supported the notion that competency in a job represented great ability and high performance. Such competency is an underlying characteristic of a person that results in effective and/or superior performance in a job. Competency is also argued to be essential to performing work effectively and needs to be demonstrated in performing a job (Lucia and Lepsinger, 1999). Homer (2001) supported that employee competency is the most important foundation for a successful organizational process and profit.

However, there has been confusion on the terminology between competencies and capabilities resulting in many authors and practitioners' tendency to define and use both terms interchangeably. Thus, many researchers have highlighted the need for a clear distinction between capabilities and competencies to help practitioners provide a clear framework of competencies and make better use of them. Briefly, organizations that employ capable employees experience a competitive advantage. The more capable an organization's employees are, the more likely the organization is to experience improved quality and productivity. Capable employees often feel more confident in their roles and are more motivated to complete their tasks successfully. This can lead to increased morale and positively impact their overall output and productivity. Furthermore, when employees are capable in several areas within the workplace, this provides an organization the ability to serve their clients efficiently and effectively.

Therefore, while capabilities require the ability to perform a task, competencies refer to the skills, talent, knowledge, and personal attributes, that an employee possesses, which positively impact their ability to perform their tasks. Blanchard and Thacker defined competency as a cluster of related knowledge, skills, and attitudes that differentiate high performers from average performers (Junaidah, 2008). Others stated that an employee who is knowledgeable is a competent person whose attributes can be valued and measured internally and externally in several tangible aspects such as productivity (Jabar et al., 2010). Woodruffe (1992) defined competencies as a set of behavior patterns that the incumbent needs to bring to a position in order to perform his or her tasks and functions with competence. This implied how an employee's behaviors are critical to accomplishing work effectively and efficiently. Parry (1998) defines competencies as a cluster of related knowledge, attitudes, and skills that affect a major part of one's job, that correlate with performance on the job, that can be measured against well-accepted standards, and that can be improved via training and development.

With respect to employee competency, much literature indicates that competency requirement varies according to positions, jobs, and organizations (Puteh, Kaliannan, and Alam, 2016). As a result, many organizations have defined their respective scope of competencies differently and identified at least four core competencies required, that is administrative, leadership, business sense, and lastly managing people competency (Snell & Bohlander, 2013). Puteh, Kaliannan, and Alam (2016) conducted research on identifying and developing core competencies and concluded that regardless of different positions, tasks, and nature of service-based businesses, core competencies play a salient role in organizational excellent performance. Woodruffe (1992) referred to core competencies as generic competencies and suggested that regardless of the different types of organizations (either large or small) and positions (either lower, middle, or upper level), the generic competencies list helps organizations to determine the dimensions of competency expected from their employees.

2.4.2: Competencies in the public sector

An array of competencies between the public sector and the private sector is further argued to be different. Existing research found some distinctions between the public sector and the private sector due to the nature of business and the external

environment exhibiting complexity and uncertainty, and conflicting public interest faced by the public sector, while the private sector focuses on monetary returns. Darling and Cunningham (2016) suggested that competencies for the public sector may include communicating in a political environment, impact assessment in decision-making, managing competing interests, interpersonal motivational skills, and adding value for the communities. Whereas private sector competencies can range from business and market acumen, visionary leadership, marketing communication, interpersonal communication, client service, and timely and opportunistic decision-making. It is also understood that the private sector competencies reflect its environments where goals need to be specifically defined and implemented in a timely manner while public sector competencies are driven by environments exhibiting more complex and unresolvable problems and the need to respond to conflicting public interest. Regardless of these distinctions, both the public sector and private sectors have increasingly experienced similar environmental turbulence and its impact on their organization, which is possible for adaptation of competencies from any sector.

In order to measure and observe performance standards, the competency model has been found useful. The model has also been widely used in many areas of HRD including recruiting officials, remuneration process, design training, and development programs. The competency model in an organization is considered as guidance for identifying individual employees' performance and future set skills. As a key tool, this framework helps in assessing the employees, career planning, and talent management by grouping the identified core competencies. As such, the competency model describes a specific combination of knowledge, skills, and other personality characteristics that are necessary for effective performance of duties in the organization.

3.0: Initiatives Towards Human Capital Development: Brunei Case

Building a pathway for sustainability and economic prosperity, Brunei Darussalam continues to be committed to achieving its national vision, Wawasan 2035 through its goals of having an educated, highly skilled, and accomplished people; a high quality of life; and a dynamic and sustainable economy. One of the impactful and crucial factors to achieve this is developing its nation through strategic human capital development. This section will be structured according to two sections that are the development of training institutions using a strategic management process and secondly, the development of a public service capability framework as part of the strategic HRD and learning needs analysis to support organizational development.

3.1: Phases of Training Institution Development through Strategic Management Process

Towards transformation and sustainability, this section will be divided into three phases. The first phase will focus on the establishment of a training unit in Brunei. The second phase will be on the upgrading of the training unit, and the third phase will focus on the vision of becoming the center of excellence.

Phase 1: Establishment of a Training Unit

The development history of the civil service institute in Brunei goes back to the proposal forwarded by a public service consultant from the United Nations in 1962 which suggested the setup of a training unit. This marked the beginning of staff development focused in a formal setting and this was enhanced by the appointment of an officer to be the training officer in 1975. Further support to the proposal, the Brunei government has engaged an advisor from the United Nations for guidance specifically on training needs and the development of a training unit in 1976. In January 1977, the Training Unit was officially established under the Establishment Office in an effort to continuously enhance and strengthen the capacity, attitude, and motivation of government servants in the discharge of their routine duties and responsibilities. The role of the Training Unit was also emphasized to plan, organize, coordinate, and administer in-service training activities for all levels of government servants in administration and management training both for training locally and abroad. Governance, structure, and processes were designed and developed, including the requirement of training needs analysis by the respective department as part of a training development plan. Prior to this strategy formulation, a research survey and analysis were conducted and the

report supported the establishment of a training unit to provide training in the management and administration area for all levels of officers and staff in the government sector toward achieving leadership excellence.

In 1978, the Training Unit began to organize and conduct short courses and local programs according to training needs at the Training Centre located at the Establishment Department. Essential programs offered at that time included receptionist/telephone operator, and basic skills courses for clerks and junior officers who just graduated. Since then, the Training Unit continues to grow and is active in offering and conducting quality programs.

In 1989, the Brunei government collaborated with a consultant from the Harvard Institute of International Development to conduct a study on the role of the Training Unit in training provision. The study also considered input from permanent secretaries at that time. The outcome of the study proposed the establishment of a national training institute that focuses on administration, management and supervisory courses for both government civil servants and local businesses.

Phase 2: Upgrading Training Unit

By the consent of His Majesty the Sultan of Brunei, the training unit was upgraded to a civil service institute, named Institut Perkhidmatan Awam according to His Majesty's titah in 1993. With the increasing number of training participants and the growth of Institut Perkhidmatan Awam (IPA), a new permanent building was constructed and IPA was reallocated at Kampung Rimba in 1997. The historical move marked the significant existence role and responsibility of IPA in human resource development. This gave more opportunity to IPA to stride forward by offering diverse courses suitable for public service as a strategy to prepare the participants to be competent workforce and future leaders. Courses include administrative courses, character building, and an induction program for the new graduates.

Phase 3: Towards Centre of Excellence

IPA's existence continues to be relevant for the development of civil service. In 2016, the Prime Minister's Office structured the civil service framework and one of its strategic initiatives is to prepare a framework for capability development for public service. This was a big leap in the development of human capital in the public sector strategy. IPA was given the trust to coordinate, develop, and revise the framework. Furthermore, with the new era of globalization, advanced technology, and information technology, IPA has to be more resilient, robust, and proactive and take immediate action to meet the needs of individual workforces and public sector organizations to prepare these workforces to be ready and fit for the future. IPA crafted its strategic plan with the vision to be the center of excellence and with the mission to equip civil servants with the required skills and competencies to achieve organizational excellence and service delivery. The strategic plan has guided IPA to be conscious of its external environment and be ready for challenges ahead that have an impact on its core business. At the same time, IPA also ensures its trainers have quality and are equipped with professional certification, new skills, and new knowledge, and provides conducive learning facilities.

IPA continues to design and offer relevant planner programs and flagship programs based on learning needs analysis and alignment with Brunei Wawasan 2023; Prime Minister's Office's five-year strategic plan and strategic initiative on public service transformation; Digital Economy Masterplan 2025 towards having a smart nation through digital transformation; Manpower Blueprint; Economic Blueprint for Brunei Darussalam towards a dynamic and sustainable economy and other relevant new strategies.

Stronger support from local agencies is required to provide strategic input and identify competencies and learning needs of their respective ministry including the suggestion for improvement for IPA and courses offered. A strategic liaison committee (SLC) was established as part of the Whole of Government Approach (WOGA). Another strategy was maintaining strong collaboration with universities and other training institutions both local and international for quality trainers.

At the same time, IPA also broadened its domain through collaboration with regional and international public service training

institutes and is actively involved in the ASEAN Cooperation on Civil Service Matters (ACCSM+3) work plan, a platform for collaboration with ASEAN Member States to exchange information, for innovations, best practices in civil service management and development, and future set skills.

Basically, to achieve its transformation goals since its establishment and to be a centre of excellence, all initiatives, programs, and activities conducted and initiated replicate the process of strategic management approach and HRD framework which is as illustrated in Figure 1. Such that the vision and mission guided IPA to set its priorities and goals through its five-year strategic plan (refer to goal setting stage a). Analyses of the external environment and internal organization are required (refer to stage b) to avoid misalignment with the organization's set goals. At this stage, the strength of its internal capabilities including physical resources (such as training venues, learning equipment, and facilities) and intangible resources (such as work processes, systems, and trainers' competencies) was analyzed and assessed. Despite being a government entity, IPA is also impacted by VUCA external environment including the COVID-19 pandemic, changes in government directions, and/or ministries and departments' goals, all demand urgency in changes in the human resources capabilities. The performance of other RTOs or training agencies and institutions is also benchmarked against IPA's performance requiring IPA to be more agile and resilient.

To adapt to the changing situation, the next stage is the formulation of strategies or options to implement its strategy and initiatives (refer to strategy formulation stage c). This is where several strategies or potential solutions, programs, and actions are identified and developed. This is followed by the implementation stage where planned strategies are implemented. To ensure implementation is successful and effective, the availability of resources, clear organizational structure, favorable work climate, learning organization work culture, systematic work process, sufficient budget, competent employees, and good leadership practices are in place.

At the final stage (refer to performance), initiatives, actions, and programs offered require monitoring and evaluation to identify the success and level of performance of IPA and its clients. The post-training evaluation was conducted to identify trainers' quality, course, and content relevancy. An impact study was also conducted to observe participants' standard performance through improved capabilities which eventually improved their organization's performance. Nevertheless, throughout the process, analysis, decision-making, and action happen at all stages. This gave flexibility to IPA to adapt to the dynamic and complexity of the environment.

3.2: Development of Public Service Capability Framework.

Developing professional competencies is a critical activity in an organization in order to achieve excellent competitive advantage. Improvement of employee competencies has also been found to produce significant organizational performance, namely organizational profits, productivity, and an increase in employee engagement as well as career development. Employees' performance requires strategic attention which otherwise will lead to misalignment in the human resource management. Under the Prime Minister's Office's Civil Service Framework, one of its strategic initiatives toward public service excellence was the development of a capability development framework and its measurement for civil servants, known as the Public Service Capability Development Framework (PSCDF). IPA has been tasked to design and develop this framework for civil servants focusing on core competencies. The objective was to enable organizations to measure the capabilities of their workforces in implementing strategies and initiatives of their respective organizations. This framework will also identify the workforce's level of competencies and prepare individual development plans through a designed measurement for individual performance evaluation.

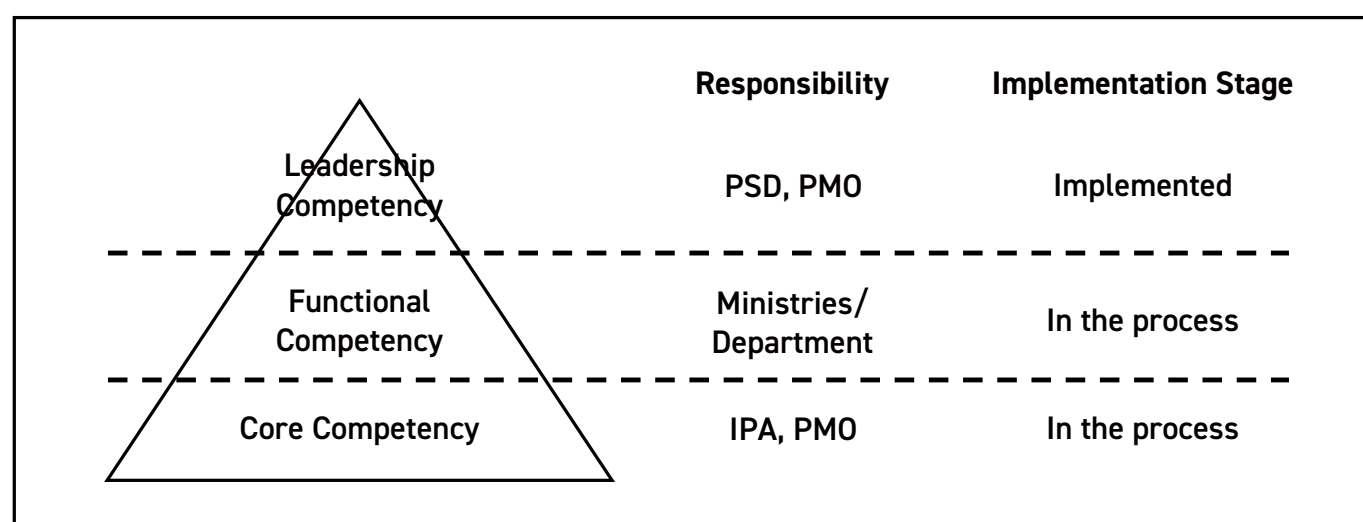
Figure 2 shows the three levels of competencies: core competency, functional competency, and leadership competency. The core competency is the set of competencies that are adaptable to all staff and officers in all departments and ministries. Functional competency is the competencies specific to the task of the individual in departments or units. This is prepared by their respective department in their ministries. Leadership Competency is designed for officers identified for leadership

succession plans. This leadership competency is identified by the Public Service Department (PSD) under the Prime Minister's Office (PMO).

The PSCDF comprises 11 core competencies under four capabilities. This includes Strategic Direction; People Engagement; Performance culture; and Organization capability. Each of these capabilities has generic competencies that are relevant to all departments in all ministries. The core competencies are as below:

- Strategic Direction Capability: Champion Vision and Values; Drive Change; Business Acumen; Business Development; and Knowledge Capital
- People Engagement Capability: Communicate with Influence; and Collaborate and Engage
- Performance Culture Capability: Outcome-Oriented Results; and Continuous Improvement
- Organization Capability: Organizational Development; and Building Capability

Figure 2: Types of Competencies adopted and departmental responsibilities



Throughout the process of development, PSCDF went through the testing phases by conducting several initial workshops to pilot the measurement to various levels of users and make revisions for improvement. Buying-in to get support for the initiative was conducted to all ministries, and at the same time to align with their new strategic objective. After revision, training for HR officers and departmental assessors in all ministries was conducted. The objective of the training was to impart the objective of PSCDF and to guide users on the assessment method before the implementation stage. These processes are crucial to ensure this framework can be implemented successfully and effectively.

4.0: Case Analysis: Challenges and Opportunities

This section will analyse the strength of factors and systems supporting the successful implementation and the progression of strategic initiatives. Firstly, is the government's strategic objective and initiative. The consistent progression in the development of the training unit over the last four decades is the essence and the starting point for the development of human capital in Brunei civil service. Understanding future needs resulted in developing strategies for the most valuable asset which is the people. It is also noted that the significant missions of the civil service are not only providing vital public services to its people, but also driving national and social development, administering public resources responsibly, anticipating future changes, and managing the evolving relationship between the government and the people. The strong support from the government along with its strategic intervention, is the ultimate ingredient to the successful implementation of any organization. In this case, the Brunei Government and the Prime Minister's Office have a strong emphasis on the development of the economy through the development and strengthening of the capability of human capital. Brunei Wawasan 2035 has made very clear its first goal which is the virtue of investing in its nation to be educated, highly skilled, and

accomplished through formal education and lifelong learning to achieve its aspiration in order to be a developed country. To realise the aspiration, therefore, requires holistic transformation, alignment, and support from all government agencies and relevant stakeholders.

Secondly, the constant change in the environment is one of the primary push forces for organizational change. Public constant demand and high expectations, internationalization, explosion of data, and advanced technology push public service to deliver a high standard of performance. Delivering quality service is considered an essential strategy for success in the public sector, hence requires the provision and upgrading of skills, knowledge, and competencies to support change in work processes and initiatives.

The existence of continuous professional development policies such as 100 hours of training policy and the implementation process of PSCDF are another strength and successful factor of the HRD strategy formulation in Brunei civil service. Human capital development initiatives will be stronger and supported if implemented in tandem. Other factors supporting human capital development initiatives include civil servants' readiness to adapt to change and awareness of the need for change. Organizational transformation will be easier if all civil servants understand the requirement for change both for their career progression and organizational performance.

Last but not least is IPA's prominent role in developing human capital and its persistence to progress, to ensure its mission is achieved and alignment with national objectives, further contributing to the success of the HRD initiatives. The adoption of a strategic management process guided IPA to implement its initiatives and activities systematically. Throughout the development and improvement process, IPA consistently monitors the structure of the development model to support its HR initiatives and use of competencies across the human resource functions. This is also insisted by previous research that organizations should ensure that the competence of organizational members is assessed, maintained, demonstrated, and continually improved (Rabiah et al. 2007; Smith & Robertson 1992).

5.0: Conclusion

The service industry increasingly plays a significant role in the economies of many countries. In many well-developed countries, the service sectors generate economic growth by exporting expertise and knowledge-based services. Developing public servants is no doubt very crucial because their capability can contribute to the sound economic expansion of the economy. More attention is increasingly given to developing new capabilities for public servants and transforming work culture to improve the high standard of delivery services. More organizations are also increasingly attuned not only to focus on monetary gains but also on developing and strengthening their intangibles or human assets. To stay competitive in today's rapidly changing business environment, organizations must be willing and able to constantly adapt and evolve their business strategy. In practice, civil servants are supposed to demonstrate integrity in delivery services, and thus they are expected to be capable and proficient in providing public services.

However, challenges in implementing change initiatives in the area of HRD are inevitable. The COVID-19 pandemic is a perfect example of how quickly the world can change and how quickly businesses need to and can respond. The education sector was heavily affected causing most planned programs to be aborted and instant solutions demanded. Organizations, like people, are often highly resistant to change, even when they know it is necessary. Successfully adopting a new strategy with a change initiative, regardless of how incremental or radical, is usually difficult and often messy. And the consequences of a poorly managed organizational transformation can be devastating.

Thus, as the way forward, understanding some of the most common reasons why strategies for change fail can help to prevent an organizational disaster and lead to a successful change initiative. More than ever, firstly, organizations need leaders with the knowledge and skills to plan and manage change successfully. Secondly, having a systematic approach to change through a sound strategic management approach is also critical. For example, the initiatives for HRD such as implementing PSCDF

should be an organizational strategy to enhance and support talent acquisition, development, and retention. Policy on the implementation of this framework should be made compulsory. Thirdly, a reward system should be seen as one of the key predictors of performance management in a service organization. Existing research found that rewards prove to be a tool to increase performance and change behaviors in dissatisfied employees. A reward system is not just about monetary incentives but also includes awards and recognition, reassignments, promotions, and other reward programs. Fourthly, for sustainable impact, IPA should also maintain strategic collaboration with its strategic partners for future set skills preparation, as well as have close relationships with potential clients to gather learning needs and gaps in their abilities to perform. In short, regardless of the constant challenges, developing the skills of civil servants is important for continuous improvement which eventually leads to a high standard of organizational performance and promotes economic growth.

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Cambodia's Civil Service, Reform and Challenges



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Abstract	40
Table and Figure	41
Acronyms.....	42
Introduction to Cambodia's civil service	43
Cambodia's Personnel Administration	43
Table 1: Categories, Grades and Steps of Civil Servants.....	44
Figure 1: Career progress in Cambodia's civil service.....	45
Table 2: Category and Position Opportunity	45
Figure 2: Civil Servants by Categories in 2016	46
Figure 2.1: Civil Servants by Categories in 2021	46
Figure 3: Total Civil Servants at National and Subnational Levels in 2016.....	47
Figure 3.1: Total Civil Servants at National and Subnational Levels in 2021.....	47
Key reforms.....	47
Table 3: Key Achievements of Public Administrative Reform (1993-2018)	48
Civil Service Pay reform.....	49
Figure 4: Minimum salary increase for civil servants and armed forces.....	51
Performance Management.....	51
Figure 5: Cambodia's PM cycle	52
Challenges/issues	53
Challenges of pay reform:	53
Figure 6: How importance is salary reform?	53
Figure 7: How current salary levels satisfy work performance?	54
Figure 8: How current salary levels impact on performance?	54
Challenges of performance management:	55
Table 4: Summary of review report on HR practice in Cambodia's civil service in 2015	55
Conclusion.....	56

Abstract

This paper is trying to explore the development of Cambodia's civil service, its reform, and challenges across the periods, especially from the 1990s to the present. There are milestones of key reforms during the 1990s and 2000s, such as peace reconciliation and administrative unification, the development of civil service legal framework and institution, the development of civil service database and classification system, which provides foundation for civil service management. From 2013, with the new leadership of MCS, civil service categories and promotion processes have been reviewed and shortened for effective implementation and management and with the aim of increasing civil servants' motivation. At the same time, salary reform has been introduced through the banking system to provide accessible and efficient wage for civil servants; and performance management is also revisited for implementation. Such development provides clear structure, professionalism, and effectiveness for civil service management. However, there are also various challenges which need to have further review and provide appropriate interventions to have effective and productive civil service management and performance.

Keywords: Civil Service, Public Administrative Reform, Performance Management

Table and Figure

Table 1: Categories, Grades and Steps of Civil Servants	44
Table 2: Category and Position Opportunity	45
Table 3: Key Achievements of Public Administrative Reform (1993-2018).....	48
Table 4: Summary of review report on HR practice in Cambodia's civil service in 2015.....	55
Figure 1: Career progress in Cambodia's civil service.....	45
Figure 2: Civil Servants by Categories in 2016.....	46
Figure 2.1: Civil Servants by Categories in 2021.....	46
Figure 3: Total Civil Servants at National and Subnational Levels in 2016	47
Figure 3.1: Total Civil Servants at National and Subnational Levels in 2021	47
Figure 4: Minimum salary increase for civil servants and armed forces	51
Figure 5: Cambodia's PM cycle.....	52
Figure 6: How importance is salary reform?	53
Figure 7: How current salary levels satisfy work performance?.....	54
Figure 8: How current salary levels impact on performance?.....	54

Acronyms

ATM – Automated Teller Machines
CAR – Council for Administrative Reform
CDC – Council for the Development of Cambodia
D&D – Decentralization and Deconcentration
HR – Human Resource
HRM – Human Resource Management
HRMIS – Human Resource Management through Information System
ID – Identity Document
MBPI – Merit Based Performance Incentives
MCS – Ministry of Civil Service
MEF – Ministry of Economy and Finance
MoU – Memorandum of Understanding
NCDD – National Committee for Decentralization and Deconcentration
NPAR – National Program for Administrative Reform
NPM – New Public Management
OWS – One Window Service
PAR – Public Administrative Reform
PFM – Public Financial Management
PFMRP – Public Financial Management Reform Program
PM – Performance Management
PMAS – Performance Management and Accountability System
PMG – Priority Mission Groups
POC – Priority Operational Costs
RGC – Royal Government of Cambodia
RSA – Royal School for Administration
SOA – Special Operating Agencies
SSCS – State Secretariate of Civil Service
UNPAN – United Nations Public Administration Network

Introduction to Cambodia’s civil service

Cambodia’s civil service is seen to have been changed across the periods of time due to the consequences of regime changes and civil war. During the French colonization (1863-1953), Cambodia’s civil service had become modernized² with the structure of career system, appropriate wage and professional training as adopted from the French rule, which is believed to provide supportive system for the colonial establishment and purposes. In the following years after gaining independence from the French, Cambodia’s civil service system was still seen to be largely influenced by the French legal system until 1975 (before the Khmer Rouge regime). (see Clayton 1995; Chandler 2008; and other sources on history of Cambodia).

During the Khmer Rouge regime (1975-1979), the whole system had been destroyed and civil servants of the previous regime became the target of torture, imprisonment, and extermination. Only after the complete collapse of the Khmer Rouge regime and its organizational management during the late 1990s through the government’s win-win strategy, Cambodia has started to embark on various fundamental reforms to achieve its governance agenda, economic growth performance as well as rebuilding its civil service system from scratch.

It can be noted that though peace being restored in the early 1990s, but the Khmer Rouge fraction was only defeated in late 1990s, which led to subsequent reform of public administrative system to comply with the 1994 civil service law (Law on the Common Statute of Civil Servants)³. The 1994 civil service law was administered by the 1996-established State Secretariat of Civil Service (SSCS), but due to reform movement, the Council for Administrative Reform (CAR) was established in 1999 to handle the National Program for Public Administrative Reform (NPAR) and work in parallel with SSCS. In such regard, various civil service-related regulations have been adopted to lead and manage Cambodia’s civil service including the administrative unification, civil service classification system, remuneration and payroll system and so on (see table 3).

However, during such post-conflict situation, Cambodia’s civil service system was seen to be poorly equipped with low pay, and it was criticised as failing to provide a living wage and encouraging various corrupt behaviours in public service such as the seeking of second jobs, rent-seeking and poor public service delivery (World Bank 2013). Such remuneration challenges caused difficulty in attracting and motivating high skilled employees and encouraged the practices of various salary supplements such as performance-based pay / incentives in various donor-financed projects without clear policy guidance or oversight.

In response, the government enunciated certain principles for guiding salary reform such as defining uniformity and equity of salary throughout the public service, introducing basic salary through folding from the different aspects of allowances and other additions, and ensuring fiscal sustainability of wage bill and so on. However, the challenges persisted regarding insufficient across-the-board increase in basic salary, lack of differentiating salary for different jobs, and lack of performance accountability focus (World Bank 2013).

Cambodia’s Personnel Administration

Cambodia’s personnel administration is governed by certain laws and regulations. The key civil service law that is still relevant and has impact on Cambodia’s civil service is the 1994 Common Statute of Civil Servants which stipulate the key components and processes of personnel administration in Cambodia ranging from recruitment to retirement and leave (RGC 1994).

In managing and developing Cambodia’s civil service, especially the personnel administration, Ministry of Civil Service

² There seems limited availability of research and study on the Cambodia’s civil service before and during the French colonization.

³ RGC (1994) Royal Kram 06/NS/94, dated 30 October 1994, on the Promulgation of the Law on the Common Statute of Civil Servants

(MCS) has played the key role. MCS has just been established in 2013 through the trend of public administrative reform by amalgamating the three institutions such as the Council for Administrative Reform (CAR), the State Secretariat for Civil Service (SSCS), and the Royal School of Administration (RSA). There are two key missions of MCS (RGC 2014a) which include (1) to lead, manage, and develop the civil service in Cambodia in response to the needs of national and regional development but in line with international standard; and (2) to make the public administration become a more responsive, effective, efficient, and reliable public service provider.

Before and after the establishment of MCS, there are also other supporting regulations that provide specific details and processes for Cambodia's personnel administration⁴. However, the implementation of civil service law and its relevant regulations seems to have limited monitoring and evaluation which may reflect the effectiveness of its enforcement.

Cambodia's civil service is seen to adopt career system as influenced by the French legal system, but through the trend of public administrative reform from 2000s, there seems to include some components of employment system (which will be discussed in the next section on public administrative reform). Civil servants in Cambodia are grouped into different civil service bodies based on their level of education, which are ruled by their particular statutes, such as the administrators, diplomats, teachers, doctors and technicians and so on.

Table 1: Categories, Grades and Steps of Civil Servants

Category	Grade													
	3				2				1					
A	Step				Step				Step					
	4	3	2	1	4	3	2	1	6	5	4	3	2	1
	Salary Index				Salary Index				Salary Index					
	345	345	364	379	394	410	426	443	461	479	496	513	531	550
B	Step				Step				Step					
	4	3	2	1	4	3	2	1	6	5	4	3	2	1
	Salary Index				Salary Index				Salary Index					
	300	308	318	331	344	358	369	380	393	407	421	436	453	470
C	Salary Index													
		265	274	284	295	307	321	335	352	370	390			

Source: (RGC 2014b)

According to the 2014 General Principle of Civil Service Organization (RGC 2014b), each body of civil servants is ranked into three categories (A, B and C) and in compliance with the minimum education requirement for each respective body. For instance, category A requires minimum education of bachelor degree, category B requires minimum education of associate degree, and for category C, the minimum education requirement is high school. Also, each category is subdivided into grades, and each grade is subdivided into steps, except for category C, there is no grade but consists of 10 steps (see table 1).

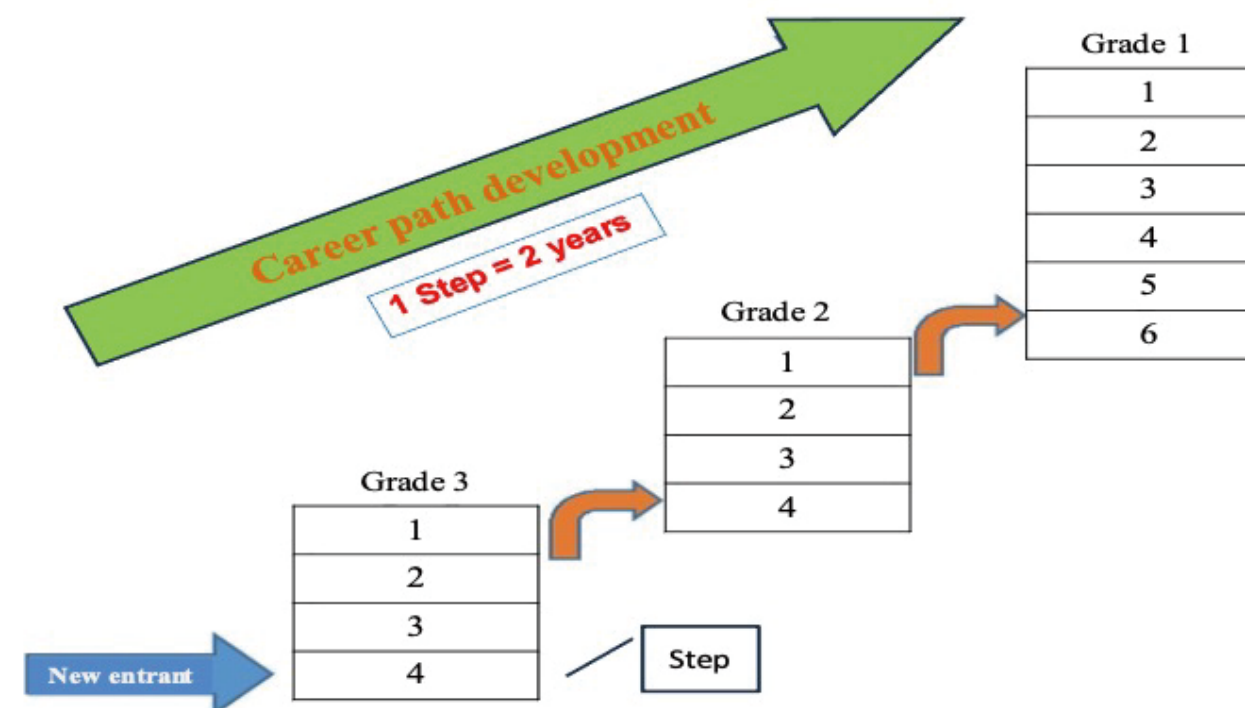
To be specific, category A is subdivided into three grades such as A1 (A1.1-A1.6), A2 (A2.1-A2.4), and A3 (A3.1-A3.4); and

⁴ For instance,

- Royal Kram 06/NS/94, dated 30 October 1994, on the Promulgation of the Law on the Common Statute of Civil Servants
- Royal Decree NS/RKT/1014/1175 dated 2 Oct 2014 on the General Principles of the Organization of the State Civil Service;
- Royal decree NS/RKT/0416/373 dated 04 Apr 2016 on particular statute for sub national administration civil servant;
- Sub-Decree No.116/ANKR.BK dated 19 Oct 1995 on the Legal Framework of Leave without Pay;
- Sub-Decree No.114/ANKR.BK dated 7 Sept 2015 on determination structural management and positions within structural management of sub-national and national ministries/institutions;
- Sub-decree no.56/ANKR.BK dated 01 Apr 2016 on attendance management of civil servants and contractual staff;

similarly, category B is subdivided into B1 (B1.1-B1.6), B2 (B2.1-B2.4), and B3 (B3.1-B3.4) respectively. In each category, grade 1 and step 1 (example, A1.1) is regarded as the highest ranking, which the new entrants are required to start from the lowest grade and step of each category (example, A3.4) (see figure 1). To move from each step of each grade, there are two possible ways. The first one is done through the seniority of spending two years in civil service. This means every two-year, civil servant can apply for step promotion. Another way is done through the higher degree of education that civil servants obtain during their service, which is higher than the minimum education requirement for their category. In special circumstance but it is also special case, civil servants who are recognized as exceptional qualities or outstanding performance, promotion can be done disregard of seniority.

Figure 1: Career progress in Cambodia's civil service



Also, each category has opportunity to be appointed for specific positions (see table 2). For instance, civil servants in category A1 have opportunity to be appointed in the top managerial positions such as Director General, Secretary General, and Municipal/ Provincial Governor. Category A2 has opportunity to be appointed in middle managerial positions such Deputy Director General and Director; while category A3 has opportunity to be appointed as Deputy Director, Head of Provincial Departments and District Governor. In such regard, civil servants in category A and category B are regarded as high ranking and middle ranking officials respectively, and category C is regarded as low-ranking officials.

Table 2: Category and Position Opportunity

Category	Opportunity(Position)
A	Director General, Inspector Deputy Director General, Deputy Inspector, Director Deputy Director, Head of Provincial Department
B	Chief of Office, Sub-Head of Provincial Department Vice-Chief of Office, Chief of Office at Provincial Department Vice-Chief of Office at Provincial Department
C	Administrative work

It is also noted that over the last ten years from 2003 to 2016, the number of civil servants had slightly increased which is believed to be the result of rigid control over the recruited number of new civil servants. For instance, according to the Ministry of Civil Service's payroll (MCS 2016b), the number of Cambodia's civil servants was totalled around 184,609 in 2016 (see figure 2) which is seen to have slightly increased from 166,872 in 2003 (Taliercio 2004). In such figure, the increasing rate was less than 10 percent over the last ten years.

However, if we look at the figure of total civil servants in 2021, there are total of 214,038 civil servants across categories (A, B, C) at both national and subnational level (MCS 2021) (see figure 2.1), which shows dramatic increase around 16 percent in just only over the last 5 years (from 2016 to 2021). By January 2023, the total number of civil servants is around 218,046, which include 42,418 of national and 175,628 of subnational. For 2023, the number of civil servants in category C remains high at total of 76,207, and followed by category B (74,047) and category A (67,792). (MCS 2023a)

Figure 2: Civil Servants by Categories in 2016

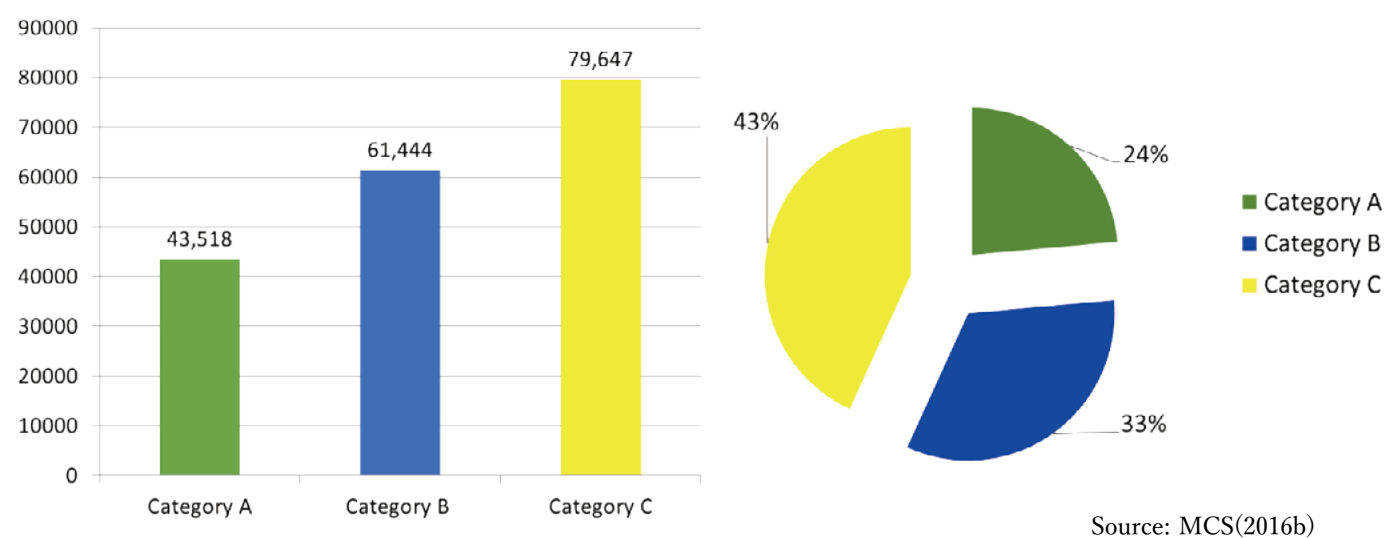
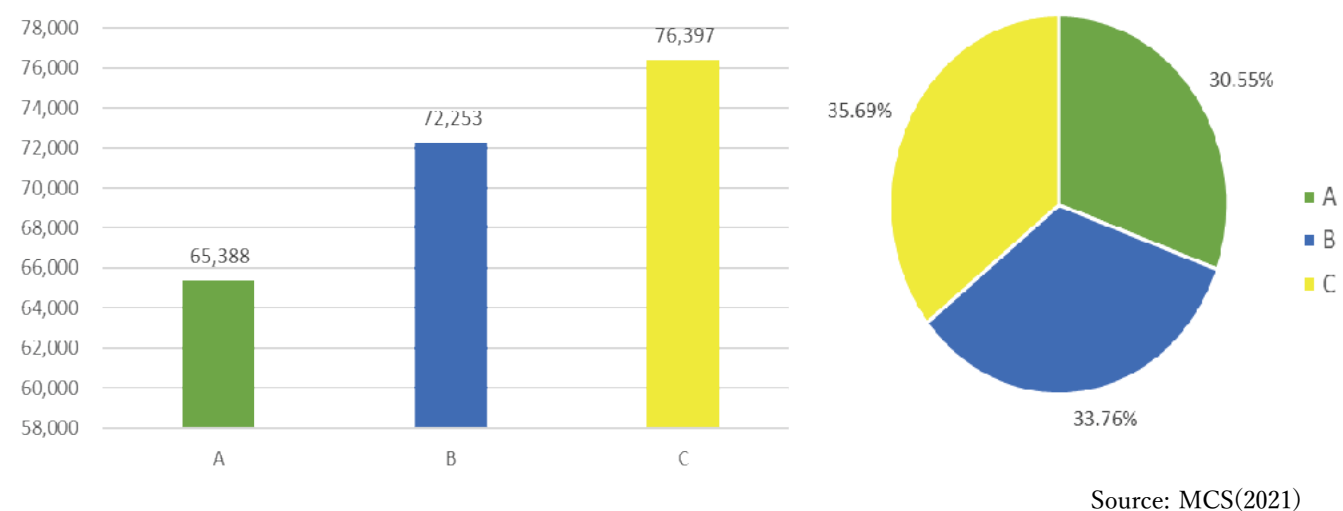


Figure 2.1: Civil Servants by Categories in 2021



Within the total figure of civil servants, the number of teachers in education sector is seen to account for more than 60 percent, and the number of civil servants who are working at the sub-national level accounts for more than 80 percent (see figure 3 and 3.1). Even though, the total number of civil servants in 2021 and 2023 has increased, the percentage of civil servants who are working at the sub-national level remains high at more than 80 percent (MCS 2021; MCS 2023a).

Figure 3: Total Civil Servants at National and Subnational Levels in 2016

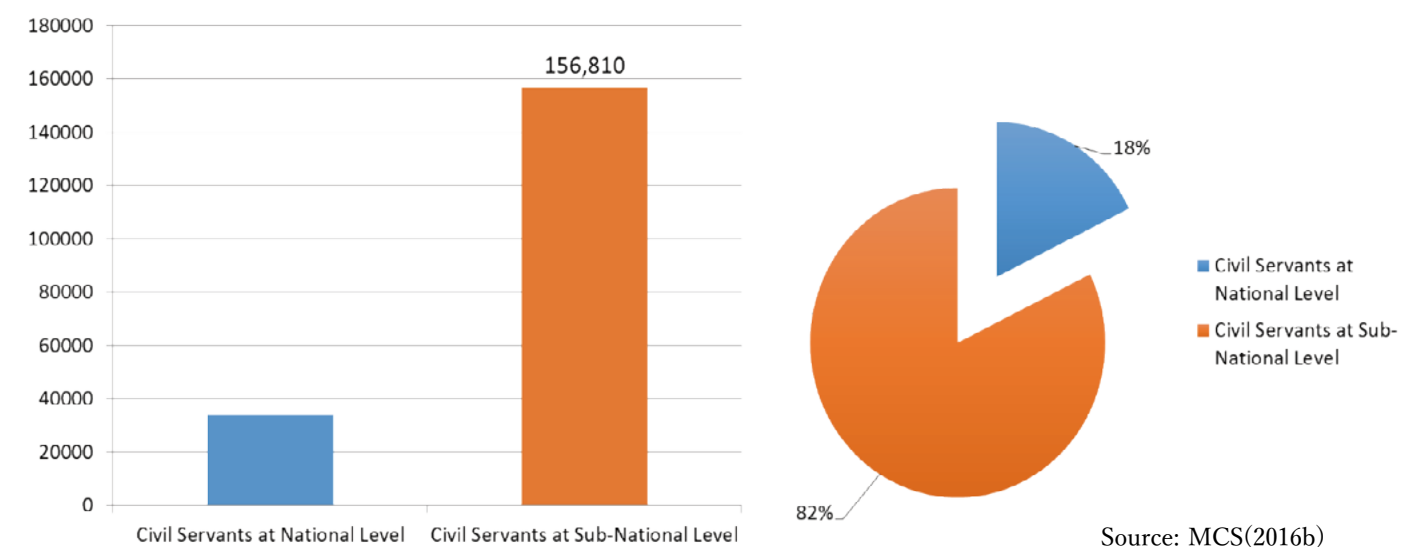
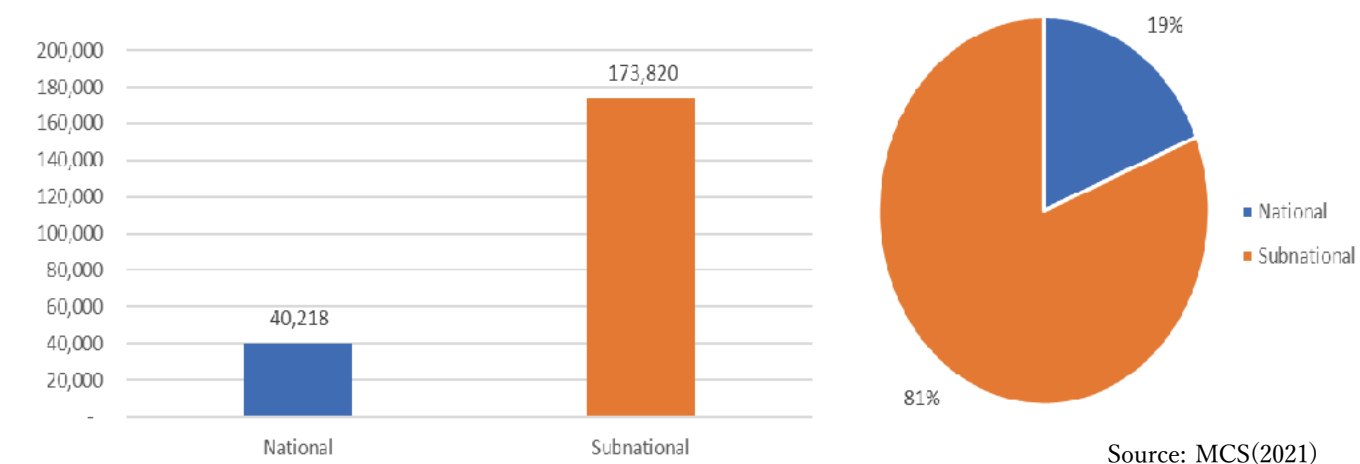


Figure 3.1: Total Civil Servants at National and Subnational Levels in 2021



Key reforms

Among the key reform agenda, public administration reform has been regarded as one of the cornerstones in achieving good governance as well as improving the livelihood of civil servants across the country. Public administration reform (PAR) is mainly interconnected with three reform programs such as National Program for Administrative Reform (NPAR) (under the supervision of the Council for Administrative Reform, and after 2013, under the supervision of Ministry of Civil Service and PAR Committee), Public Financial Management Reform Program (PFMRP) (under the supervision of Ministry of Economy and Finance and PFM Committee), and National Program for Decentralization and Deconcentration (D&D) (under the supervision of Ministry of Interior and National Committee for Decentralization and Deconcentration - NCDD). However, such PAR's synergies among the three reform programs are closely cooperated only after 2013, especially after the new MCS has been established.

If we look back at the progress of previous public administrative reform (PAR) from 1993 to 2018, according to the National Program for Administrative Reform 2015-2018 (NPAR) (RGC 2015) and the World Bank (2020), Cambodia is seen to have achieved incremental progress across the period of reform. These key achievements include the national reconciliation and unification among the conflicting political fractions from 1993-1998, the strengthening foundation for civil service management

from 1999-2003, the deepening reform from 2004-2008, the further deepening reform from 2008-2012, and the continuance of further deepening reform for effectiveness from 2013-2018, and so on. (See details in table 3).

Table 3: Key Achievements of Public Administrative Reform (1993-2018)

Periods	Summary of Key Achievements
National reconciliation and unification (1993-1998):	<ul style="list-style-type: none"> - All political factions who were signatories to the Paris Peace Agreement and 25,000 students were integrated into one unified system of public administration, which aimed at ending the civil war and at the same offering jobs for overseas graduates. - During this period, various legal and institutional frameworks have been developed to ensure stable civil service management such as civil service law, organization and functioning of ministries and institutions, civil servant management procedures and general principles and so on. - Due to the integration of civil servants from various political factions, a one-day nationwide headcount of civil servants was conducted to confirm the actual number, and the result showed that 17,685 irregular and ghost civil servants were removed from the pay list, which contributed to substantial savings of national budget.
Strengthening the foundation for civil service management (1999-2003):	<ul style="list-style-type: none"> - During this period, the Council for Administrative Reform (CAR) was established to lead the process of administrative reform which aimed at ensuring operational efficiency and effectiveness of public administration. - At this period (in 2000), another nationwide census of civil servants was conducted and 10,000 irregular and ghost civil servants were removed from payrolls. - Other key achievements included the development of civil servant database, new remuneration system, new classification system of civil servant categories, computerized payroll system, and establishment of Priority Mission Groups (PMGs).
Deepening reform (2004-2008):	<ul style="list-style-type: none"> - Within this period, the main objective of public administrative reform focused on “serving people better”. - The key achievements include policy and compendium development on public service delivery, the expansion of Priority Mission Groups (PMGs), regulation development on Merit Based Performance Incentives (MBPI) system, and establishment of Special Operating Agencies (SOAs).
Further deepening reform (2008-2012):	<ul style="list-style-type: none"> - The main objective of public administrative reform was broadened to include “serving people better for the wellbeing of the citizens and prosperity of the nation”. - The key progress includes Priority Operational Costs (POC) system (POC was incentive for officials who worked in a development partner-financed scheme that replaced MBPI in 2010 and lasted until 2012), One Window Service (OWS), and policy development on human resource in public administration.
Continuance of further deepening reform for effectiveness (2013-2018):	<ul style="list-style-type: none"> - The main objective of public administrative reform during this period was focused on improving institutional prerequisites for better service delivery through delivering three pillars of reform such as pay and remuneration reform (raising liveable wage level), human resource management and development reform (computerization, pilot implementation of performance management system, training programs for civil servants), and public service delivery reform (e-governance and institutional reforms of rationalization and restructuring).

From 2019 to 2023, according to the new minister of MCS, His Excellency Prum Sokha, addressed during MCS 5-year review meeting on 21 March 2023, there are some achievements on civil service management such as restructuring and redefining function and role of some units of MCS and PAR, receiving new hardware for civil service data management (support from the

Chinese government assistance), and producing new ID card for civil servants functioning as both civil servant ID and ATM purposes. At the same time, he also proposed some actions for enforcing further public administration reform such as reviewing to amend the 1994 Common Statute of Civil Servants, and preparing the new Sub Decree on national entrance examination for civil servants (Phnom Penh Post 2023).

However, from 2019 to 2023, the vision and directions of public administrative reform seem undecided due to the pending approval of the new NPAR (2019-2030) and the restructuring of MCS, PAR committee, PAR sub-committees and PAR secretariat. PAR committee is a kind of inter-ministerial committee to lead and support the overall PAR which includes key relevant ministries such as MCS (head), Office of Council of Ministers (deputy), Ministry of Interior (deputy), Ministry of Economy and Finance (deputy), and other 25 ministries-institutions (RGC 2021a).

PAR sub-committees and secretariat are internally established by MCS to support and coordinate the overall PAR and PAR committees. There are 4 PAR sub-committees which are led by MCS secretary of state (head) with support of other relevant General Departments and staff, while the PAR secretariat is led by an under-secretary of state (head) and other supporting units and staff, all of whom are selected and appointed by MCS minister (see RGC 2021b).

If we look at the new draft of NPAR (2019-2030), it is designed for 10-year implementation from 2019 to 2030 and divided into 3 phases. Phase 1 (2019-2023) focuses on improving performance in public administration; Phase 2 (2023-2027) focuses on monitoring and evaluation on performance in public administration; and Phase 3 (2027-2030) focuses on performance accountability for public service (RGC 2019). But until now, it is still pending for approval.

In understanding the specific progress and challenges of Cambodia’s public administrative reform, the civil service pay reform and performance management reform will be further discussed in the next section.

Civil Service Pay reform

It is noted that during the 1990s and early 2000s, Cambodia’s civil service system was seen to be poorly paid which led to encourage various corrupt behaviors. It is believed that such condition contributed to the difficulty in attracting and motivating high skilled civil servants across the civil service (World Bank 2013). From the mid-2000s, Cambodia’s civil service system is seen to go through various key reforms such as the New Career Path System and New Remuneration System which the number of civil servants has been classified into different categories based on their education levels (CDC 2002; MCS 2016a).

To understand the concept of civil servant’s salary reform, the evolution of NPAR will be examined due to its 2015-2018 third goal focuses on improving pay system to ensure equity, consistency, productivity, and budget affordability, which is believed to fundamentally support other two goals of NPAR such as human resource improvement and quality of public service delivery (RGC 2015). NPAR is seen to have been introduced since the late 1990s which provided the first foundation for the subsequent phases of reform programs (see table 3). Within the first foundation reform, the focus was on building mechanism to manage and motivate civil servants, certain key reform activities were achieved such as the implementation of civil service census, the development of a New Career Path System and Remuneration System, and the Computerization of Payroll System. Such Public Administration Reform including pay reform is seen to be initiated and announced by HE Sok An, Senior Minister, during the development partner Consultative Group Meeting on 19-21 June 2002, which included a new pay and remuneration system to cover not only the base salary but also other allowances. The average pay was seen to have increased from USD 19.5 per month in 2001 to USD 28 in 2002 and to over USD 51 per month in 2006, and with the support of computerization of payroll system and database of HRMIS (Human Resource Management through the Information System) to reduce human errors and cost (CDC 2002; UNPAN 2004; MCS 2016a).

Though there was some increase in civil servant salary during the early 2000s, various problems still challenged the reform efforts such as the delay in payment due to the manual process (such as delayed payment from one to two months), inaccurate amount

of payment (not in right amount), security-related and risky taking for cash carrying (particularly in sub-national level and rural areas), and waste of times and resources (such as people took long queue to get their salary, needed many cashiers to check each name and amount) (Youk Bunna 2019).

In responding such problems, the RGC announced the implementation of salary payment through the banking system in December 2008 to release the burden of cash flow, reduce the chance of corruption (ghost employees, informal fee charges) and ensure timely payment. To implement such electronic payment, MEF has selected some private financial institutions such as Aceda Bank, Canadia Bank, and Wing to sign Memorandum of Understanding (MoU) with MEF to deposit salaries and provide payroll service for government officials from early 2014 onward (Aceda 2013; Phnom Penh Post 2013; The Cambodia Daily 2013).

The rolling out of salary payment through banking system is seen to be started as pilot phase with some priority ministries at both national and sub-national levels such as the Ministry of Education, Youth and Sports, Ministry of Health, Ministry of Economy and Finance, Ministry of Interior and Ministry of Defence, but excluding police and military. This is because these ministries represent about 84% of the total civil servants in the country. Such reform is believed to make salary payment more accessible (due to the availability of 24-hour basis ATMs), in efficient and timely manner. (The Cambodia Daily 2013; MEF 2014).

To deal with the salary payment through the banking system and to have comprehensive coverage of the payment (within all government's ministries and institutions), an inter-ministerial working group was created in late 2013 through the RGC's Decision No. 46 (dated 13th November 2013) which is known as the Pay Reform Taskforce or Taskforce for Reforming the Salary System. The Taskforce is seen to be under the new leadership and management of the newly established Ministry of Civil Service (MCS) and with representatives from five ministries such as (RGC 2013a):

- Secretary of State, Ministry of Civil Service (Chair)
- Representative of Ministry of Economy and Finance (Deputy Chair)
- Representative of Ministry of National Defense (member)
- Representative of Ministry of Interior (member)
- Representative of Ministry of Social Affairs, Veterans and Youth Rehabilitation (member)

The taskforce was positioned in MCS and used seal, means and resources of MCS to perform key functions as following:

- Review the whole system of government pay system (national and subnational civil servants including retired and disabled civil servants, military, and police,)
- Propose the package of pay reform (policy and strategy) for 2014-2018 to MCS, MEF and to get approval from the RGC.

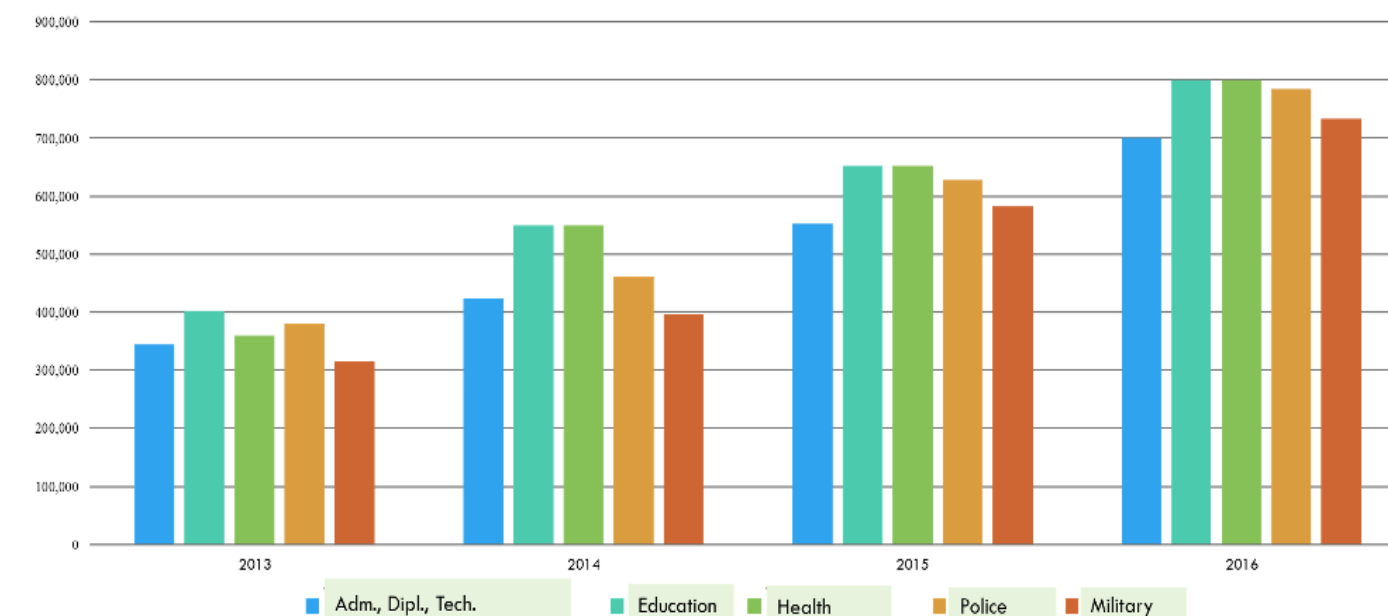
In this regard, it is also noted that the chair of the taskforce was given some authorities in inviting and consulting with senior and professional staff of relevant ministries, local and international consultants/advisors as well as establishing sub-taskforces to study and review on specific cases of pay reform.

With the establishment of the taskforce and the new leadership, there are some expected benefits of the pay reform such as efficient and effective management of civil servant (reduced ghost employees, corruption), budget saving from the elimination of irregular civil servants, cash flow management in the banking system, risk reduction in cash-related issues, timely payment (within the 4th week of each month), accurate and accessible payment. Then, in late 2018 with the smooth and effective payment through the banking system, the government has further reformed the payment to be made in every fortnight for all civil servants (RGC 2018).

According to MCS's 2016 progress report (MCS 2016a), the minimum salary of civil servants from 2013 to 2016 is seen to have double increase, and the high increase is seen in education and health sectors, while the military and police have been aligned and harmonized with the general administration sector. For instance, the minimum salaries for education and health civil servants

have been increased from around 402,800 riels (USD 95.90) and 360,000 riels (USD 85.71) respectively in 2013 to 800,500 riels (USD 190.59) equally in 2016. While the minimum pay of the general administrative civil servants, police and military have been increased from 344,000 riels (USD 81.90), 379,930 riels (USD 90.45) and 315,990 riels (USD 75.23) in 2013 to 700,500 riels (USD 166.78), 784,730 riels (USD 186.84), and 733,730 riels (USD 174.69)⁵ accordingly in 2016. (See figure 4).

Figure 4: Minimum salary increase for civil servants and armed forces



Source: MCS(2016a)

If we continue to look at the minimum salaries of civil servants in 2023, the figures also show dramatic increase. For instance, the minimum salaries for civil servants in education and health sectors have been increased to around 1,400,000 riels (USD 333.33) equally, while minimum salaries for the general administrative civil servants, police and military have also been increased to around 1,300,000 riels (USD 309.52), 1,384,477 riels (USD 329.63), and 1,309,477 riels (USD 311.78) respectively (MCS 2023b).

Performance Management

Over the years, Cambodia is seen to have good performance in restoring peace and strong economic growth. Since early 2000s, public-sector reform in Cambodia has been initiated with support of various development partners including the World Bank and its allies. In this regard, various components of New Public Management (NPM) have been deployed across reform agenda such as public administrative reform, local government decentralization, financial management, semi-autonomous public enterprise, anticorruption, etc., as demonstrated in the government political agenda. In such regard, Performance Management (PM) has also emerged in the form of pay-based performance such as Priority Mission Groups (PMGs), and Merit-Based Performance Incentives (MBPI) (see table 3). In practice, there were separated institutions of responsibilities such as PMGs was under management of Council for Administrative Reform (CAR), and MBPI was under control of Ministry of Economy and Finance (MEF). The key objective of introducing such pay-based performance was in response to the low remuneration of civil servants through providing performance-based monetary support.

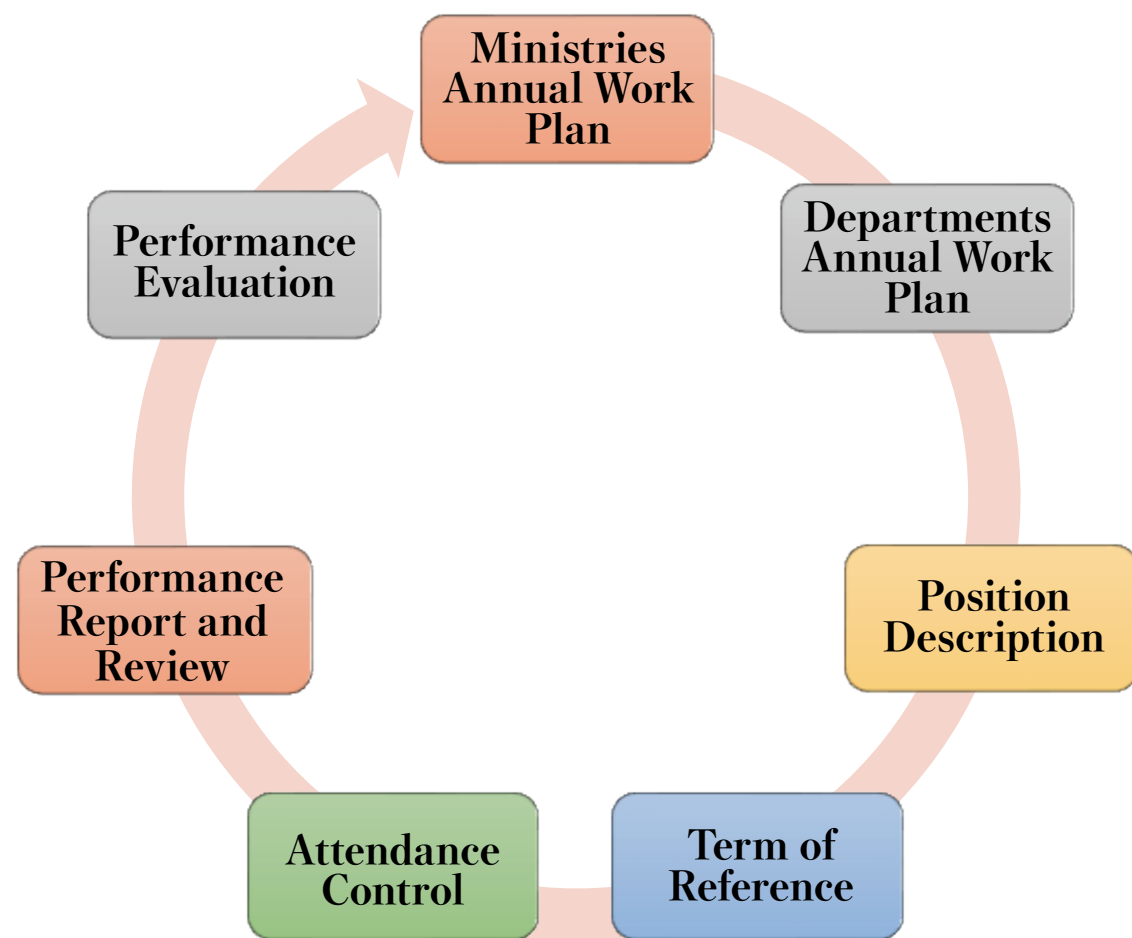
The motive of pay-based performance was mostly driven by development partners to support public servants who worked for the donor-related projects in various key sectors especially in health and education sectors. It was believed that monetary incentive (extrinsic factor) could boost performance motivation. However, performance motivation is seen to be influenced by both intrinsic and extrinsic factors, where the former is more sustainable than the latter (Jacobsen and Andersen 2014). Verbeeten (2008)

⁵ The USD calculation is based on USD 1 = 4200 riels

also criticizes that the use of pay incentive for performance may not work to promote long-term effort such as innovation when there is ambiguity in defining goals and difficulty in measuring performance.

The management process of pay-based performance in Cambodia's civil service was supposed to be carried out through transparent and fair recruitment and selection of qualified public servants based on position descriptions to implement the agreed workplan with periodic appraisal as stipulated in the 2009 guideline on Performance Management and Accountability System (PMAS) which was under supervision of CAR (RGC 2009a). However, a few months later, on December 2009, the government decided to terminate such pay-based performance (RGC 2009b). Such termination is believed due to the unfair and ambiguous process of selection and recruitment and to be driven by political motivation.

Figure 5: Cambodia's PM cycle



Source: MCS(2016d)

In 2013, the government with request from CAR adopted the policy on Human Resource in Public Administration where the concept of HRM has become modernized with the coordinating role of CAR, and PM has been incorporated (RGC 2013b). However, CAR has been dissolved a few months later and a new Ministry of Civil Service (MCS) (by amalgamating CAR, SSCS, and RSA) has been established. With new leadership and restructuring, in late 2016 a new PM guideline has been revisited and developed after comprehensive consultation, which is believed to become a tool for result-based management to manage staff performance through participatory and capacity development approach, and PM has been regarded as the integrated component of HR process (MCS 2016d). (See Figure 5)

However, the 2016 PM guideline is much more voluntary compliance rather than legal binding enforcement as the core legal foundation of civil service management has not been amended since 1994 where the concept of personnel management is still embedded. The 1994 civil service law has provided comprehensive direction for Cambodia's civil service management such as recruitment, appointment, promotion, personnel evaluation, remuneration, retirement, and exit (RGC 1994), which are much

characterized as Weberian bureaucracy model. The main characteristics of Weberian model include clear separation of power between elected politician and civil servants, rule-based administration, merit-based recruitment and appointment, and so on, which believe to centralize bureaucracy with input focus (efficient management of resource) rather than output and outcome focus. However, the Weberian rule, according to McCourt (2013), tends to be undermined by patronage system which mostly occurs in developing democracy to secure electoral loyalty and support.

Challenges/issues

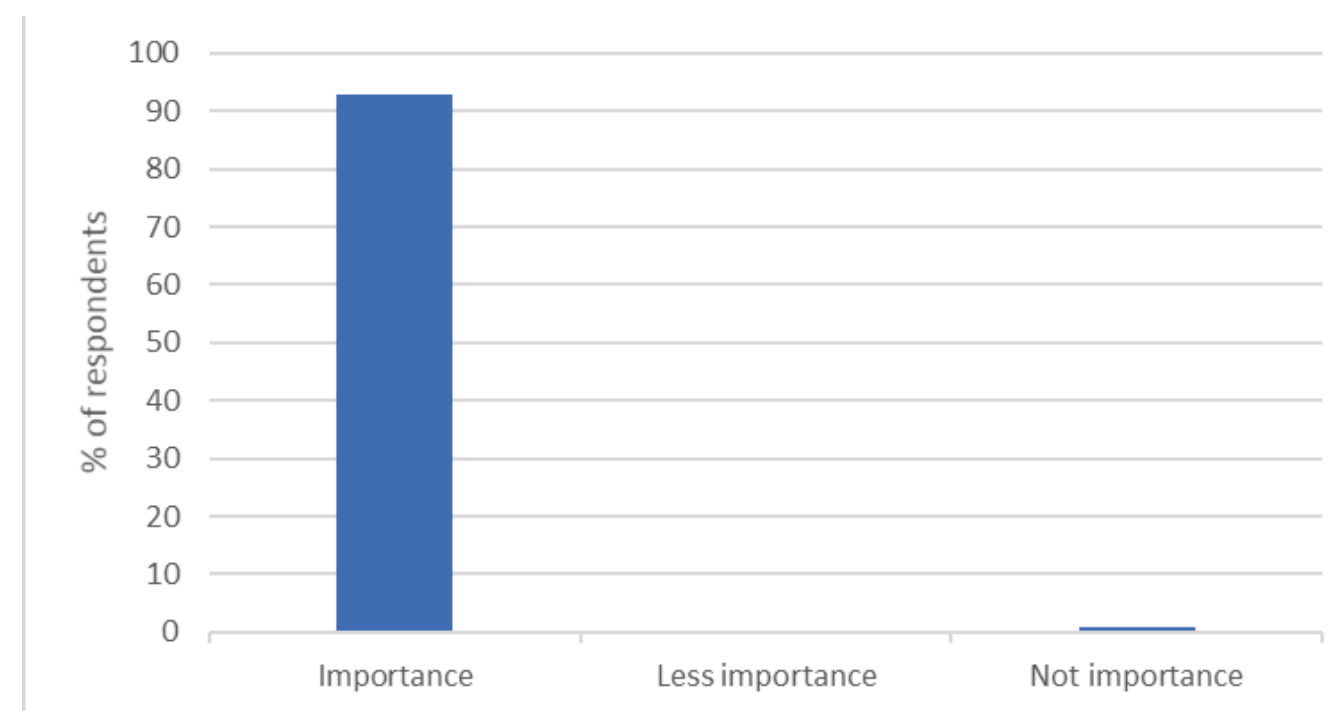
Since 1993, Cambodia's civil service is seen to have positive progress and achievement regarding building peace and national reconciliation, building foundation and legal framework for civil service management, improving public service delivery, reforming remuneration and incentives for civil servants, and adopting performance management system in civil service and so on (see table 3). However, the reforms still face some challenges, and in this section, the discussion will focus only on the challenges of pay reform and performance management.

Challenges of pay reform:

Civil servants'salary reform in Cambodia is seen not only to be delivered through an efficient banking system, but also increasing in its amount due to the strong RGC's reform commitment as well as the leadership of the Pay Reform Taskforce. Though such achievement of pay reform, some challenges still exist regarding the improvement of human resources such as the control of absence and performance, as well as the quality of public service delivery (RSA 2019a, 2019b).

According to the interview with the beneficiary civil servants and the banking partners of salary reform during the workshop at the Royal School of Administration on the 8th February 2019, there seem to be happy and confident among civil servants on the salary reform through the banking system. This is because the salary through banking system has provided various benefits for civil servants such as more safety and efficiency compared to the manual and cash payment which was often long delayed and with inaccurate amount of payment. It is believed that the increase and payment of salary through the banking system may contribute to the increase in civil servants'performance; however, it depends much on the management capacity and job flexibility among different organizations (RSA 2019a).

Figure 6: How importance is salary reform?



Source: RSA(2019b)

Likewise, among the participants of the workshop who are the beneficiaries of salary reform, there are more than 90% of respondents (see figure 6) believe that salary reform is important which requires government attention, and more than half of them satisfy with the current salary levels. However, there are one third of respondents that seem to less satisfy with the current salary levels (see figure 7) even government keeps increasing the minimum salary to more than 200 percent between 2013 to 2016. Though there is less satisfaction among respondents on the current salary levels, more than 80 per cent of respondents seem to believe that the current salary levels have impact on their performance (see figure 8) (MCS 2016a; RSA 2019b).

It is also noted that with the significant increase in salary and payment through the banking system, some challenges still persist such as the limited capacity of civil servants in using the banking system and ATMs and the insufficient number of ATMs (in rural areas) and amount of cash in ATMs especially during the payment days, which need further improvement. Regarding collaboration between the government and the bank partners, there are still some recommendations and suggestions regarding the speed-up process of salary payment and collaboration among the relevant stakeholders especially at the provincial levels such as the provincial-municipal departments of MEF, treasury, and MCS. Also, the pay increase seems to be not fully responding to the inflation rate and the market price, and such increase is not yet responding to the specific skills and workplace demands across ministries/institutions where high skilled and talent people are needed. Importantly, the improvement and increase in civil servants' salary should be linked to performance and productivity of civil servants (RSA 2019a; RSA 2019b).

Figure 7: How current salary levels satisfy work performance?

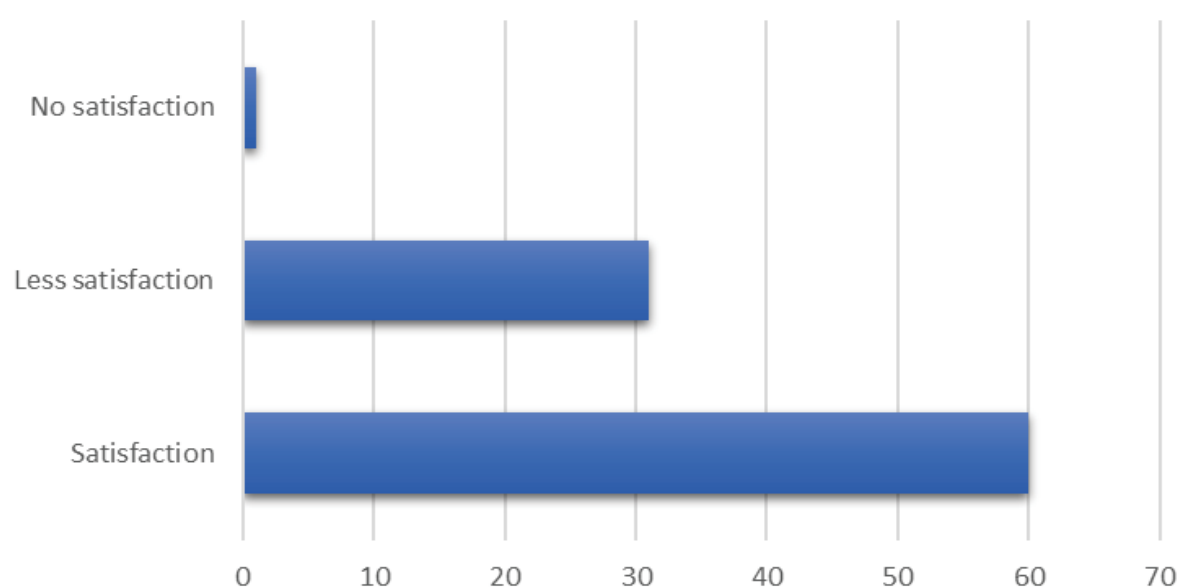
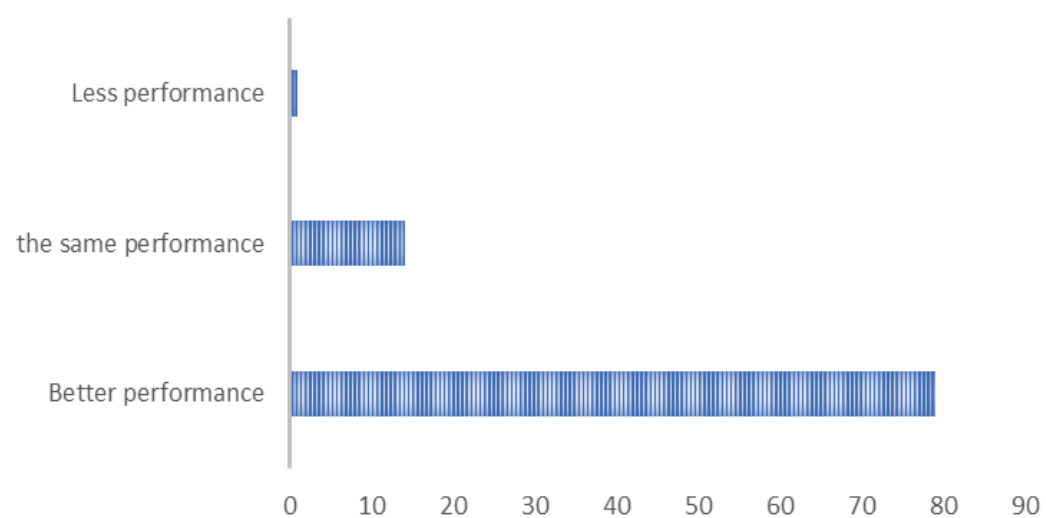


Figure 8: How current salary levels impact on performance?



Source: RSA(2019b)

Challenges of performance management:

In early 2015, a team of MCS with technical support from German Cooperation (GIZ) had conducted a review on the HR practices in seven ministries to understand the actual HR practices, and the key results show that the culture and system of PM are not in place, resources (finance and capacity) are limited for skill enhancement, and HR departments are dysfunctional to support HR practices (see table 4).

Table 4: Summary of review report on HR practice in Cambodia's civil service in 2015

- o HR departments do not function properly and professionally to support each ministry.
- o Ministries do not have position descriptions.
- o Lack of appropriate and committed HR planning due to approval of new recruits is the discretionary power of MEF with coordinated role of MCS. As result, recruitment does not respond to skill or position requirement.
- o Appointment and promotion are not based on performance and mostly at the discretionary power of head of ministry.
- o No annual workplan for the staff
- o PM practice is experienced in some ministries but mostly driven by pay-based performance of donor-related projects.
- o Lack of capacity development plan (due to limited resources, lack of need assessment, supply-side training, lack of skill database management)

(Source: adapted from MCS 2016c)

Public-sector organizations in Cambodia are seen as lacking experience of cascading organizational objectives into staff workplan as revealed in the HR review report (MCS 2016c), which can be explained that their objectives may be ambiguous as the means of political control. According to Verbeeten (2008), the ambiguous objectives can be driven by some factors such as increasing political benefits and reducing politicians' accountability for underperformance by referring overperformance in other areas. The limited ability of cascading and defining organizational objectives is believed to be affected by the limited capacity of public servants in general, as well as leadership and commitment of line managers in specific due to the lack of resources and skill management. Many studies have found that inadequate competence and leadership of public managers tend to cause difficulties in defining targets of performance measurement and communication of trust with their staff and other public institutions and stakeholders (Fryer et al 2009).

Though the 2015 HR review report (MCS 2016c) shows that ministries do not have position descriptions, later on especially after the published PM guideline being consulted and introduced (MCS 2016d), the preparation of job descriptions has started and convinced 26 out of 39 ministries and agencies to provide clear role and responsibilities, and sufficient skills and experience needed for the recruited positions.

The development of job descriptions is believed to provide clear purposes, duties, and responsibilities of each position and role, to identify the required skills and experience for applicants and also to assess the performance of employees in performing their role. However, only 9 ministries have successfully completed the assignments (such as Ministry of Commerce; Ministry of Culture and Fine Arts; Ministry of Education, Youth and Sport; Ministry of Land Management, Urban Planning, and Construction; Ministry of Justice; Ministry of Tourism; Ministry of Water Resources and Meteorology; Ministry of Women's Affairs; Secretariat of Civil Aviation), which results in delaying the process of HR reforms as well as the implementation of PM such as the recruitment of civil servants based on skills and experience needed for specific jobs and performance assessment based on the requirements for the recruited positions (World Bank 2020).

Moreover, civil service reform in Cambodia is seen to be challenged by not only limited resources, but also "the lack

of competitive salary structure, continuing weak capacity, absence of performance culture, patronage structure and lack of community trust”(Turner 2013, p.34). Such challenges are believed to be associated with weak governance and weak enforcement of civil service rules, which lead to political intervention in appointments and promotion, mismatching between job requirement and job skills, and eventually weakening and corrupting merit-based process, as Berman (2015, p.118) calls HRM maladministration which refers to less care on staffing requests and ineffective appraisal system, and consequently cause patron-client relations in bureaucracy. In that sense, the Independent Evaluation Group of the World Bank (IEG 2008) also finds that the failure of civil service reform in most developing countries is due to the lack of coherent strategy for reform and unclear diagnostic tools for addressing the issues.

It is also noted that Cambodian culture is seen to be “nonconfrontational with an emphasis on collective action, which has influenced the current practices and approach to performance appraisal”(World Bank 2020, p.18). This means that there is lack of strong and decisive action on the poor performance such as dismissal or pay cut and so on, which may limit the impact of reforms including salary reform and performance management reform.

Conclusion

Cambodia’s civil service has come along the period of change and evolution in order to improve its performance. Early modernized civil service system in Cambodia was seen to start during the French colonization through establishing clear structure of career system and professionalism as influenced by the French legal system. However, the whole system of Cambodia’s civil service was destroyed during the Khmer Rouge. Yet, the development of Cambodia’s civil service during the French colonization and during the Khmer Rouge seems to have limited sources and need further study.

The key reform movement in Cambodia’s civil service is seen to have commenced from early 1990s by focusing on building peace and legal framework for civil service management which give foundation for the subsequent phases of reforms. The public administrative reform (which is influenced by the NPM movement) has started to introduce in early 2000s by establishing CAR, developing civil servant database and new classification system of civil servant categories, introducing salary reform and performance management and so on.

The key milestone of reform is seen to become synergized only in 2013 when the new MCS is established to further deepening reform, where the key achievements include: the organization of civil service categories become reviewed and shortened the steps and grades for promotion and appointment; the civil service salary reform has been dramatically increased to more than 200 percent compared to the period before 2013 especially in health and education sectors and through the use of banking system to make salary payment more accessible and efficient; At the meantime, performance management reform has also been revisited for implementation.

Though various key reforms have been achieved, there are still various challenges needed to be further reviewed and have appropriate responses such as

- The new NPAR should be reviewed and get approval as soon as possible to provide clear vision and direction for reform,
- Salary reform should be linked to civil servant performance and productivity,
- Salary increase should respond to inflation rate and market price to provide liveable wage for civil servants,
- Leadership and management capacity of public manager need further develop to manage reform and staff performance,
- Performance management should be binding by law and integrated into HR processes,
- Performance appraisal needs to be used as basis for promotion, rewards and punishment,
- Civil service rule and related regulations need to be reviewed and effectively enforced,
- Reform strategies need to be reviewed and diagnosed for coherence and sustainability and with monitoring mechanism to address the key issues.

Transforming Government Personnel Administration in Indonesia: Navigating Challenges in Bureaucratic Reform

Abstract..... 60
Table and Figure..... 61
Introduction..... 62
The History of State Civil Apparatus Management System in Indonesia 62
Managing State Apparatus under Bureaucratic Reform 64
Merit System..... 65
Moratorium..... 67
Recruitment and Selection..... 68
Downsizing Bureaucracy..... 69
Managing Regional ASN 72
Possible approach to address the problem 74
Conclusion 76
References..... 78



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Abstract

Indonesia has been facing challenges in managing state personnel which has currently reached to 4.2 million. Since pre-independence, the government has made some changes in policy in response to demand to have professional state bureaucracy. This includes the past decade when government has worked on so called bureaucratic reform in their attempt to enhance the quality of state bureaucracy. This paper highlights some strategies that had been employed by the government and some challenges arising from the institutionalization of bureaucratic reform. First, in implementing the merit system, this strategy is challenged by low understanding of state apparatus, budget constraints, and strong political pressures. Second, the moratorium strategy on recruiting civil servants has received criticism for limiting job opportunities. Third, the digitalization of the recruitment and selection process for state personnel faces issues related to standardizing questions and technical implementation. Fourth, the downsizing of the bureaucracy, in practice, has given rise to other issues in the form of limited abilities possessed by employees, which affect their effectiveness in carrying out their duties. Fifth, decentralization, in fact, remains problematic as it leads to the emergence of local burdens in managing salaries and benefits for state civil servants at the local level.

Keywords: civil servants, personnel management, bureaucratic reform

Table and Figure

List of Table

Table 1. Areas of Change and Expected Outcomes.....	65
Table 2. Simplified and Maintained Tasks and Functions of Administrative Position.....	71

List of Figure

Figure 1. Aspects of Implementing the Merit System in the Management of the State Civil Apparatus.....	66
Figure 2. Types and Levels of State Civil Apparatus.....	70
Figure 3. Equalization of Administrative Officer Position into Functional Position.....	71

Introduction

Government personnel management plays a crucial role in ensuring the productivity and performance of the state bureaucracy in executing public policy, serving the people, and enhancing national cohesion. The management includes a variety of key elements such as recruitment, training, performance management, and other strategies for developing a skilled, motivated, and various personnel capable of meeting the needs of the public. Every country has their own challenges and opportunities in developing the system of government personnel management. Particularly in ASEAN, each member state exhibits varying patterns and levels of achievement in administrative reform (Quah, 1985), with differing impacts on policy implementation (Quah, 2016).

This paper focuses on elaborating the case of Indonesia in dealing with how the state enhances the quality of its bureaucracy. Indonesia is an interesting case of study because, after a 78-year journey of state-building, this country has persistently encountered complex challenges in the realm of state personnel management. With 4.2 million state employees out of a total population of 275.77 million (as of December 2022), Indonesia continues to face issues related to bureaucracy, both institutional and attitudinal.

This paper analyzes the current major efforts made by the government to enhance state personnel management under the umbrella of bureaucratic reform. The analysis reveals that, amid the optimism and strategies aimed at establishing a professional bureaucracy, the government's existing limitations have presented them with various challenges.

This paper's discussion covers three parts. The first section, which follows the introduction, provides a brief history of personnel management in Indonesia. The second section captures the current system of personnel administration in Indonesia under bureaucratic reform, while also highlighting some management issues. In the final section, before concluding this paper, we provide a short analysis of possible strategies to address the issues in operationalizing the current system of personnel management.

The History of State Civil Apparatus Management System in Indonesia

Government personnel in Indonesia have been subject to administration since the pre-independence era. In 1943, the government started regulating the salaries and recruitment of government employees, known as "Pegawai Negeri" at the time, in the Java region. Through Government Regulation No. 21 of 1948, which was issued three years after the proclamation of independence, the government revised the employee salary policy. Following these changes, the government amended the rules governing appointment and termination rights for employees of the Republic of Indonesia Union through Emergency Laws No. 25 and No. 34 of 1950.

In the early years of independence, the government endeavored to establish a structured hierarchy within the civil service. On September 25, 1945, Mr. Kasman Singodimedjo, serving as the Chairman of the Central Indonesian National Committee, conveyed the Presidential decree concerning the reassignment of Indonesian personnel from various positions and echelons to the status of government employees. However, a few years later, the government appeared to struggle in its effort to establish a structured national bureaucracy. This challenge arose due to the fragmentation of state employees along different ideologies lines and their exposure to volatile political upheavals (Ministry of State Administration and Bureaucratic Reform, 2013).

Despite the challenges, there were opportunities to organize government employees in the following years. One of the positive initiatives is the establishment of the Office of Employee Affairs in 1948. Under the Government Regulation No. 11 of 1948, this office is responsible for managing and overseeing the staffing and salary of government employees.

Efforts to organize government employees appeared to be more comprehensive after the government issued Law Number 18 of 1961 on the Main Provisions of Civil Service. In this Law, government employees (referred to in the Law as "pegawai

negeri") are defined as individuals who have fulfilled specific requirements and are subsequently appointed, salaried and employed in a position by an authorized state official. This Law, in greater detail, regulates: 1) the system of recruitment, appointment, and termination of employees; 2) employee obligations; 3) employee rights; 4) disciplinary measures for positions; and 5) the implementation of personnel descriptions.

Entering the New Order era under President Soeharto's administration, the government began to classify state employees into several categories. Through the Law No. 8 of 1974 on the Civil Service Principles, the government distinguished between government employees (referred to in the Law as "Pegawai Negeri Sipil") and members of the Indonesian National Army. The law also categorized employees into central and regional employees. Furthermore, this law addressed the establishment of civil servants, a matter that had not been specifically regulated in the previous law.

In 1997, Indonesia experienced an economic crisis, and political turmoil ensued in 1998. The Indonesian government capitalized on this momentum by implementing several significant changes, which marked the milestone of the reform era in the realms of politics, law, economy, and bureaucracy, known as the first wave of reform (Presidential Regulation No. 81 of 2010 on the Grand Design of Bureaucratic Reform 2010-2025). These changes also extended to the management of government employees (Pegawai Negeri Sipil), aimed at optimizing the performance of the state apparatus in delivering services to the people.

The reform era has brought Indonesia to a new phase of personnel management with more systematic changes. The change began in 1999 when the national government enacted the Law number 43 of 1999 on the amendments to Law Number 8 of 1974 on the Civil Service Principles. Under this law, the management of civil servants¹ is specifically redefined. Furthermore, the law exerted that members of the Indonesian National Police are acquired as government employee. This adds previous provision that determines the division of government employees, which includes civil servants at both national and regional, and members of the Indonesian National Army.

An analysis of the first round of reforms' implementation revealed that administrative reforms trailed behind those in the political, economic, and legal sectors. Therefore, in 2004, national government reemphasized the importance of implementing the concepts of good governance and clean government, which are considered the best principles for providing the best services to society. Starting from that time, the government fostered bureaucratic reform (well known as Reformasi Birokrasi).

In implementing bureaucratic reform, the government established the primary program as the development of state apparatus. This decision was driven by several significant issues pertaining to the bureaucracy, including: 1) government organizations not yet functioning at their proper size and capacity; 2) the presence of overlapping, inconsistent, unclear, and open to multiple interpretations of laws and regulations in the field of state apparatus, which have not been adapted to the evolving dynamics of governance and societal demands; and 3) suboptimal implementation of human resource management within the apparatus to enhance professionalism, employee performance, and organizational effectiveness. The main challenges in the human resources of the state apparatus include imbalances in terms of quantity, quality, and geographical distribution of civil servants as well as persistently low levels of civil servant productivity; 4) ongoing irregularities and instances of authority abuse in the governance process, coupled with unstable performance accountability of government agencies; 5) Public services that have not yet accommodated the diverse interests of all societal strata and have not fully realized the fundamental rights of citizens; 6) The mindset and work culture (organizational culture) among bureaucrats that have not wholeheartedly supported the ideals of an efficient, effective, productive, and professional bureaucracy. With the implementation of this program, it was anticipated that by 2011, all ministries and other national agencies would have embarked on the process of bureaucratic reform (Presidential Regulation No. 81 of 2010 on the Grand Design of Bureaucratic

¹ Civil servant management is defined as an overall effort to improve efficiency, effectiveness and professionalism in the implementation of personnel duties, functions and obligations, which includes planning, procurement, quality development, placement, promotion, payroll, welfare and termination.

Reform 2010-2025).

The implementation of bureaucratic reform appeared to run smoothly after 2014. The government enacted Law Number 5 of 2014 on the State Civil Apparatus (Aparatur Sipil Negara/ASN) to support the implementation of bureaucratic reform. This law explains that State Civil Apparatus (ASN) is divided into civil servants (Pegawai Negeri Sipil/PNS) and government employees with work agreements (Pegawai Pemerintah dengan Perjanjian Kerja/PPPK). The difference is that civil servants are appointed permanently to occupy government positions. In contrast, to perform government tasks, PPPKs are appointed based on work agreements for a specific time period. In this legislation, the functions and duties of ASN are more emphasized. In addition, the term echelon, which previously explained the structural level of employment, has been abolished. Three types of positions are regulated in the ASN Law: high leadership, administrative, and functional. This law also encompasses changes in the civil service system, including employee planning and procurement, career development, and the determination of the retirement age limit. These modifications are supported by a merit-based system that gives the following values top priority: professionalism, competence, qualifications, performance, transparency, objectivity, and independence from political intervention and corruption (Korupsi, Kolusi, Nepotisme/KKN). The main goal of the ASN Law is to realize a bureaucracy that is professional, competent, has integrity, and provides the best service to the people (Ministry of Defense, 2014).

In order to ensure the effective operation of both civil servants and PPPK, the national government has enacted a series of government regulations. The regulations play a pivotal role in governing the management of civil servants and PPPK (government employees with work agreements). Specifically, civil servant management is addressed in Government Regulation No. 17 of 2020, which amends Government Regulation No. 11 of 2017. Conversely, PPPK management is governed by Government Regulation No. 49 of 2018, which deals with the management of government employees with work agreements. These regulations highlight several key distinctions between civil servant and PPPK management. These distinctions encompass various aspects, such as rank and position, career development, career progression, promotions, transfers, and pension and old-age insurance. Notably, civil servants, once they transition from candidates to permanent civil servants, follow a structured career path characterized by evolving ranks and classes. This allows them to occupy both structural and functional positions simultaneously. On the other hand, PPPK typically occupy functional positions and lack a defined career path due to their status as employees with predetermined service periods. Consequently, PPPK are ineligible for pensions and old-age pensions, in contrast to civil servants (BKD Central Sulawesi Province, 2022).

The division between civil servants and PPPK is only a small part of bureaucratic reform. The following section discusses the dimensions and strategies of bureaucratic reform in more detail.

Managing State Apparatus under Bureaucratic Reform

Discussion in the previous section shows that the history of ASN structuring reveals an increasingly complex management arrangement. This section specifically reviews the direction of ASN management in Indonesia over the past decade, particularly under bureaucratic reform. According to the Grand Design of Bureaucratic Reform, the primary objective of bureaucratic reform is to build a professional government bureaucracy characterized by adaptability, unwavering integrity, exceptional performance, immunity from corruption, collusion, and nepotism, effective public service, neutrality, dedication, prosperity, and a commitment to upholding the code of ethics and core values of the state apparatus. All aspects of government management are covered by the areas of change that serve as the goals of bureaucratic reform, as shown in Table 1.

Table 1. Areas of Change and Expected Outcomes

Areas of Change	Expected Outcomes
Organizational Structuring	Right function and right sizing organization
Management Arrangement	Clear, efficient, effective, measurable systems, processes, and work procedures that align to the principles of good governance
Harmonization of Legislation	Regulations that are less chaotic, non-overlapping, and beneficial
Structuring Human Resource Management System Apparatus	Human resources for apparatus with integrity, nonintervention, competence, capability, professionalism, high performance, and well-being
Supervision	improved governance that is clean and free from corruption
Accountability	Enhanced capacity and accountability for bureaucratic performance
Public Service	Excellent service that meets the requirements and expectations of the community
Mindset and Work Culture	Great-performing bureaucracy with strong integrity

Source: Presidential Regulation No. 81 of 2010 on the Grand Design of Bureaucratic Reform 2010-2025

To improve and achieve the objectives of bureaucratic reform, the national government has implemented several strategies. These strategies include the merit system, moratorium, recruitment and selection, downsizing the bureaucracy, and ASN management in the region. Each of these strategies will be elaborated upon in this section. Despite offering opportunities, apparently, these efforts and strategies are closely tied to various challenges, some of which we will also discuss in this section.

Merit System

In the bureaucratic reform agenda to create a neutral bureaucracy free from corruption, collusion, and nepotism, the government implemented a merit system. This system is one of the solutions to rampant nepotism and primordialism in the bureaucracy (Abheseka, 2022). The majority of the work to improve the human resource quality through this system started in 2014. The government issued Law No. 5 of 2014 on the State Civil Apparatus for its implementation. This law establishes the merit system as an ASN management policy. It is founded on qualifications, competencies, and performance, and it is applied fairly and without discrimination. Through this approach, the state ensures that every employee has an equal opportunity. This means that prospective promotions are awarded to individuals who are both qualified and meet the job requirements.

The merit system aims to ensure that government positions are filled by competent professionals who can execute tasks in

alignment with fundamental values, an ethics code, and the ASN code of conduct (Dwiputrianti et al., 2019). In Indonesia, the implementation of the merit system is regulated by the State Civil Apparatus Commission (Komisi Aparatur Sipil Negara/KASN), a non-structural agency. KASN has developed an instrument to assess and map the implementation of the merit

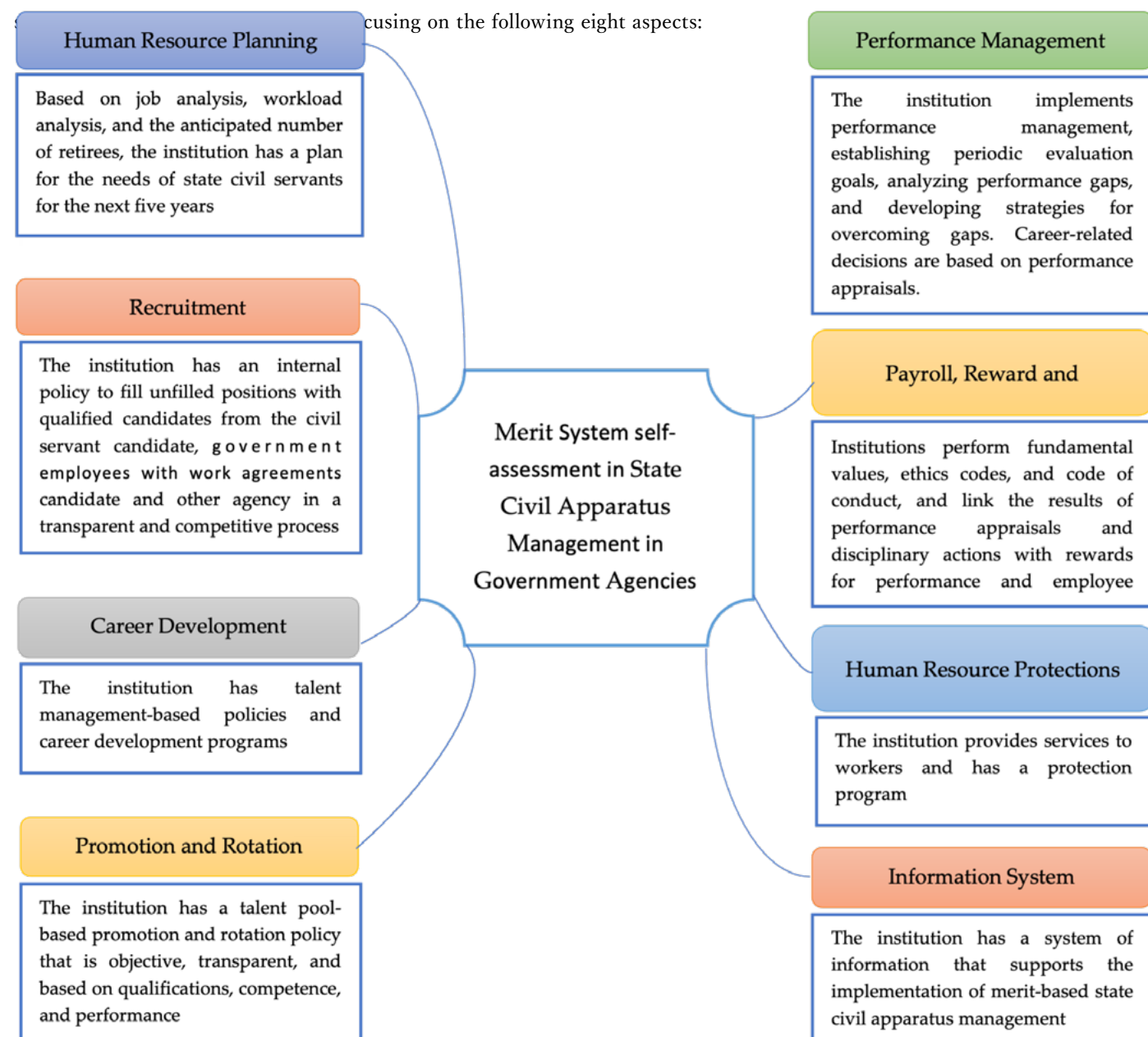


Figure 1. Aspects of Implementing the Merit System in the Management of the State Civil Apparatus (State Civil Apparatus Commission, 2019)

The method employed in assessing the merit system is self-assessment conducted through the Merit System Implementation Self-Assessment Information System. This instrument is objective and standardized as per State Civil Apparatus Commission Regulation No. 9 of 2019, outlining the procedures for self-assessment of merit system implementation in ASN management within government agencies. The evaluation results yield information regarding the level of merit system implementation in each government agency and provide recommendations for improving ASN management in alignment with merit principles.

In 2019, KASN conducted a mapping of the results from self-assessments of merit system implementation in local governments (Dwiputrianti, 2019). The findings revealed that approximately 83.5% of all district and city governments that underwent merit system assessments received ratings in the 'poor' and 'inadequate' categories. Factors contributing to the low implementation of the merit system include:

1) The ASN (State Civil Apparatus) has a limited understanding of how to apply the merit system to ASN policy and

management.

The lack of competency standards for managerial, sociocultural, and technical positions arises from the challenges faced by HR managers in developing these standards. As a result, these managers are less effective in planning employee career development and tend to confine their roles to administrative tasks.

2) The agency lacks budgetary allocations and necessary facilities.

Limited budgets and facilities have an impact on the assessment process, which is currently confined to filling high leadership positions (Jabatan Pimpinan Tinggi/JPT) through open selection or mutations within JPT. This system has not been extended to employee placement, thereby preventing staffing managers from effectively mapping competency gaps among employees.

3) Political influence on civil service oversight.

In regional governance, civil service oversight is primarily carried out by the regent or mayor. However, political officials may face challenges in avoiding conflicts of interest when making policies that could potentially contradict the principles of the merit system. Issues such as the trading of positions, discriminatory employee placement, and dismissals that do not adhere to established regulations continue to pose challenges in the implementation of the merit system.

In 2021, the findings of the merit system assessment revealed that the procurement aspect received the highest score (73.9%), closely followed by the needs planning aspect (73.2%). This suggests that the procurement process for state civil apparatus candidates is more transparent and objective, partially owing to the application of computer-assisted tests (CAT) in the selection process, which adds a high level of accountability. However, the lowest scores were observed in the aspects of career development (31%) and promotion and transfers (41.5%). To maintain and enhance the quality of human resources, successful recruitment outcomes should be complemented by effective coaching and development programs. These results warrant attention, as they may indicate opportunities for nepotistic practices. Position appointments should align with the requisite qualifications, competencies, and employee performance, with consideration of career trajectories (Abheseka, 2022).

Moratorium

Continuing with the bureaucratic reform agenda, in 2011, the government decided to undertake organizational and employee restructuring (rightsizing) to optimize human resource performance and enhance personnel expenditure efficiency. Prior to this, the number of central and regional civil servants had been consistently increasing annually. According to data from the National Civil Service Agency (Badan Kepegawaian Negara/BKN), there was an approximately 30% growth in civil servant personnel between 2003 and 2011. This surge in civil servants can be attributed, in part, to the expansion of regions from 2001 to 2009, resulting in the creation of seven new provinces and 154 districts or cities. By 2011, there were 916,493 central government civil servants and 3,791,837 local civil servants, accounting for 1.98% of the entire population (Detik, 2011). The substantial increase in civil servants led to personnel expenditure exceeding capital expenditure in the state budget. In 2012, the budget saw an 18% increase (Kompas, 2011).

The rightsizing policy is implemented in alignment with the Grand Design policy and the Bureaucratic Reform Road Map. In the execution of rightsizing, for optimal organizational and employee structuring, the government temporarily postponed the determination of formations for accepting prospective civil servants (moratorium). A moratorium implies a halt in recruitment; however, exceptions are made for specific requirements in agencies requiring employees in roles such as educators, doctors, nurses, or other special and urgent positions. During this postponement period, the correct number of civil servants is calculated based on position and workload analysis. Heads of both central and regional agencies will redistribute employees according to their respective competencies, guided by the results of the arrangement already conducted, and they will also prepare projections for employee needs over the next five years. Through the postponement of recruitment, recalculation, and employee redistribution, it is anticipated that agencies will achieve an ideal employee profile.

In 2011–2012, the government initiated its first moratorium. This action was based on Joint Regulations issued by the Minister of State Administration and Bureaucratic Reform, the Minister of Home Affairs, and the Minister of Finance, numbered 02/SPB/M.PAN-RB/8/2011,800-632/2011, and 141/PMK.01/2011, which pertained to the Temporary Postponement

of Civil Servant Candidates. From September 1, 2011, until December 31, 2012, the moratorium was in place. Agencies that failed to calculate their employee needs in a timely manner or omitted to do so were subjected to penalties, including the loss of the right to request additional employee candidate positions and restrictions on organizational development or expansion. The civil servant moratorium policy was estimated to save up to 30 percent of the state budget (Maharani, 2014).

During President Joko Widodo's administration in 2015, the moratorium was reintroduced following the issuance of the Minister of State Administration and Bureaucratic Reform's letter, numbered B/2163/M.PAN/06/2015, concerning the Postponement of the Addition of ASN Employees in 2015. This decision was based on several considerations:

- a. Some ministries, institutions, and local governments have not completed their obligations in establishing organizational structures and position maps; determining employee needs based on the results of workload analysis calculations; providing accurate information on the number of civil servant; submitting estimates of civil servants who will quit due to reaching the retirement age limit, moving agencies, as well as death and quitting (early retirement); and submitting excess or shortage of employees based on positions.
- b. Several government regulations on implementing the State Civil Apparatus Law have yet to be finalized.
- c. Implementation of new employees: The government must provide a budget for the preparation of question papers, the cost of uploading question papers into the computer-assisted test system, and the cost of selection and testing.

Initially, the moratorium on the recruitment of state civil apparatus candidates was planned to be implemented for five years. However, in 2017, the government opened the recruitment for state civil apparatus candidates with specific qualifications. Three things caused this: First, this recruitment was carried out to support President Jokowi's Nawacita program. Second, some fields have been considered urgent needs, for example, the Meteorological, Climatological, and Geophysical Agency, which requires meteorological and geophysical observers. Third, looking at minus growth, many people are retiring, so it is necessary to add new employees so that public services are unrestricted (Abdulsalam, 2017).

The moratorium policy set by the government is one of the policies that has received pros and cons in the community. This policy is considered to kill job opportunities in the government sector because civil servants are one of the professions that are still so attractive to the Indonesian people. Civil servants are guaranteed jobs with income stability and pension guarantees in old age. On the other hand, the moratorium is considered a way to control the number of civil servants in the hope of reorganizing the organization and staffing system in Indonesia and saving the government's personnel budget.

Recruitment and Selection

One of the next reform agenda items is to improve ASN recruitment selection. To reduce fraud, collusion, and nepotism in ASN recruitment selection, the government introduced a computer-based test in 2013 that replaced the paper-based test. In this new system, all agencies carry out the registration process on one portal. The standard for passing the test has also been determined, making it easier for test takers to know directly whether they pass to the next stage or fail.

In 2014, the computer-assisted test designed and controlled by the National Civil Service Agency began to be used in selecting prospective civil servants. Test takers are given a sequence of random questions to respond in a set amount of time. Test results will be known immediately after the test time ends, unlike the previous selection system, where test takers had to wait for test results for months. The computer-assisted test selection system can save up to 60 percent of the budget compared to paper-based tests, so public services are expected to be of higher quality (The ASEAN Secretariat, 2021). The computer-assisted test-based selection system received the ASEAN Public Sector Organization of the Year award in 2014 and is considered by the World Bank to have made a significant contribution to the public sector in promoting accountability as well as transparency in the selection of candidates for civil servant positions, as well as being an example in Asian countries that have similar characteristics of applicants and bureaucracy in conducting similar selection processes (Center for Selection System Development, 2023).

The implementation of the selection of candidates for the state civil apparatus is carried out simultaneously with the formation of central agencies and regional agencies over a certain period. This results in the number of applicants reaching millions of people for hundreds of thousands of formations. In 2021, 570 agencies opened job vacancies, and 3.7 million people sent application files (Annur, 2021). The selection exam is held over several days, and the exam locations are spread across almost all regions of Indonesia. This aims to facilitate examinees from various regions. In implementing the 2021 selection test, the government provided 450 test location points (National Civil Service Agency, 2021). Several things have implications for the current ASN candidate selection system:

1. Civil servants involved or assigned to the selection team must temporarily leave their duties and work in the main unit, which indirectly affects their performance;
2. facilities with specific standards are required, such as stable electricity and internet networks, a large number of personal computers with certain specifications, and security and confidentiality guarantees that require high commitment from many parties. Problems such as power outages, unstable internet networks, leaks, and hacking still occur even though they have been anticipated.
3. The participants questioned the standard weighting of the questions. There were around 20,000 questions available in the question bank, and each participant almost got a different question with the same weight. Different questions were perceived to have different levels of difficulty by participants, which then gave rise to jealousy and a sense of unfairness.
4. The passing grade is differentiated for general and special formations (cum laude, disability, diaspora, and sons and daughters of Papua. In 2018, the difficulty level of the basic competency selection questions was higher than the previous year, resulting in a limited number of participants passing the 2018 civil servant candidate selection. In addition, there was a disparity in graduation results between regions, so it had the potential not to fulfill the needs or information that had been determined. The government then stipulated Minister of State Administration and Bureaucratic Reform Regulation No. 61 of 2018 on the optimizing the fulfillment of civil servant needs and formation in selecting 2018 civil servant candidates. In the regulation, the government provides a solution by determining the requirements for participants who can proceed to the Field Competency Selection stage, namely: 1) participants who meet the threshold value specified in the regulation; and 2) Basic Competency Selection (Seleksi Kompetensi Dasar (SKD) participants who do not meet the threshold value but have the best ranking of the cumulative Basic Competency Selection by the rules in the Minister of State Administration and Bureaucratic Reform Regulation No. 61 of 2018. Learning from the 2018 selection process, the government adjusted the threshold value and composition of questions in each state civil apparatus selection period until 2021.

The ASN candidate selection system using computer-assisted test (CAT) is an innovation that contributes to the transformation of the ASN selection system in Indonesia. The CAT system has succeeded in increasing public trust because implementing CAT-based ASN candidate selection can provide transparency and accountability. Additionally, the CAT system supports the implementation of the merit system in ASN management because the selected participants are participants who meet the minimum standards of competence, not because of entrustment or someone who has close ties with officials, and also not based on the background of participants such as race, ethnicity, religion, or disability conditions.

It is necessary to continuously enhance how ASN candidates are selected. The implementation of selection is not only to get participants who meet the qualifications but also to pay attention to effectiveness and efficiency in terms of resources spent.

Downsizing Bureaucracy

The passing of Law No. 5 of 2014 on the State Civil Apparatus marked the beginning of the reform of the government bureaucracy in Indonesia. This law carries the principles of new public management. It begins to abandon the old principles carried by Law Number 43 of 1999 concerning amendments to Law Number 8 of 1974 concerning civil service principles (Bramantyo & Mardjoeki, 2020). Administrative positions, functional positions (expertise and skills), and high leadership positions have replaced the structural and functional positions for civil servants under Law No.5 of 2014. However, there are government employees with work agreements (Pegawai Pemerintah dengan Perjanjian Kerja/PPPK) who are different with

civil service positions.

Each of these civil servant positions has different functions and duties. Administration of public services, government, and development are among the responsibilities of administrative positions; Functional positions have responsibilities and tasks connected to functional services based on specific abilities and expertise; and high leadership positions have the function of leading and motivating each ASN employee through pioneering in the field (professional expertise, policy analysis, and recommendations, management leadership), fostering collaboration with other agencies, exemplifying the ASN core values, and applying the code of ethics ASN and code of conduct. The types and levels of ASN positions can be seen in Chart 1.

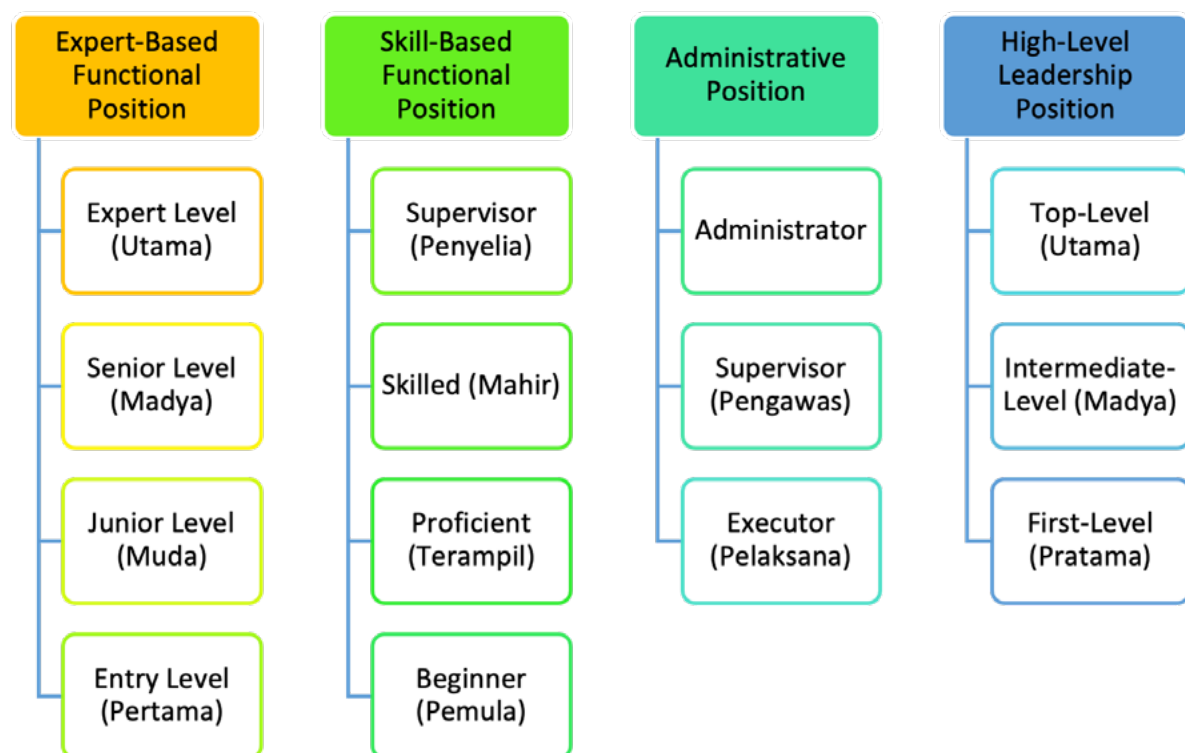


Figure 2. Types and Levels of State Civil Apparatus

Source: Law Number 5 of 2014 concerning the State Civil Apparatus Management

Formulating administrative positions consisting of administrators, supervisors, and executors is increasingly receiving ineffective assessments because the bureaucratic span is too long. This affects the decision-making process, which takes too long. A bureaucratic structure that is too fat with a long span causes miscommunication and miscoordination. Bureaucratic work becomes slow and inflexible. In addition, there are indications of a corruptive culture that utilizes and abuses positions. President Joko Widodo directed the simplification of the bureaucracy to two echelon levels in his inaugural speech as President of the Republic of Indonesia 2019-2024. The president substituted Functional Positions (Jabatan Fungsional/JF), which emphasize expertise and competence, for Administrator (Echelon III) and Supervisor (Echelon IV) positions (Bramantyo & Mardjoeki, 2020).

As a result, the government issued Minister of State Administration and Bureaucratic Reform Regulation Number 25 of 2021 concerning the simplification of organizational structure in government agencies for bureaucratic simplification through the Minister of Administrative Reform and Bureaucratic Reform. In both central and local agencies, simplification is accomplished through streamlining organizational structures, equating positions, and adjusting work processes. By taking into account the requirements for simplified and retained administrative positions in organizational units, the echelon III, echelon IV, and echelon V structural positions are eliminated, simplifying the organizational structure. In order to equalize roles, administrative officials are appointed into functional positions by making adjustments to equivalent functional positions.

Table 2. Simplified and Maintained Tasks and Functions of Administrative Positions

Simplified Tasks and Functions	Retained Tasks and Functions
<ul style="list-style-type: none"> o Analysis and Policy and/or Material Preparation o Coordination, Monitoring, and Policy Evaluation o Implementation of Some Technical Duties in Managing Government o Implementation of tasks compatible with the functional department o Functional technical services 	<ul style="list-style-type: none"> • Authorization Authority is Attribute • Units with Regional Based Authorities • Independent Technical Execution Work Unit • Goods/Services Procurement Work Unit

Source: Minister of State Administration and Bureaucratic Reform Regulation Number 25 of 2021 concerning the Simplification of Organizational Structure in Government Agencies for Bureaucratic Simplification

Administrators, supervisors, and executive officials who are echelon V are equalized without regard for the rank level and space class associated to them. Suppose administrators, supervisors, and executive officials in echelon V equalized have a rank or space class below or above the highest rank or space class. In that case, they will still be equalized in functional positions according to the provisions. (Regulation of the Minister of State Administration and Bureaucratic Reform Number 17 of 2021).

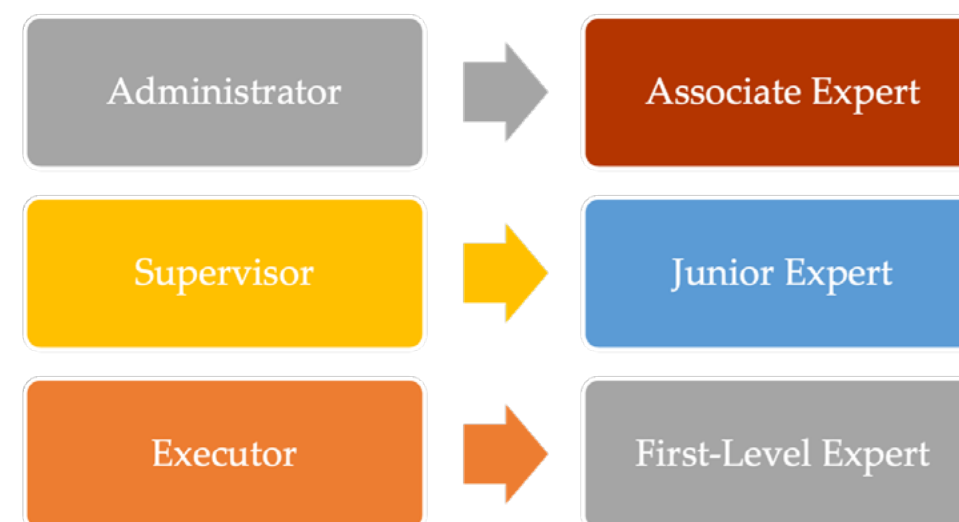


Figure 3. Equalization of Administrative Officer Position into Functional Position

Source: Regulation of the Minister of State Administration and Bureaucratic Reform Number 17 of 2021

In implementing position equalization, each government agency needs to pay attention to the following steps: 1) identifying existing administrative positions in each work unit; 2) mapping administrative positions and officials affected by simplifying the organizational structure; 3) mapping functional positions that can be occupied by officials affected by simplifying the organizational structure; and 4) mapping and comparing the income of affected officials between before and after equalization from administrative positions to functional positions. (Regulation of the Minister of State Administration and Bureaucratic Reform Number 17 of 2021).

The Minister of State Administration and Bureaucratic Reform Regulation Number 17 of 2021 concerning the Equalization of Administrative Positions into Functional Positions regulates and explains specific matters in equalizing administrative positions into functional positions. However, in its implementation, there are several problems in equalizing administrative positions into functional positions, namely (Rakhmawanto, 2021):

1. The Limited scope of duties of functional positions in work units that replace structural positions (administrators and supervisors)
2. There is still an understanding that ASN career development is only in structural positions (Supervisor, Administrator, JFT).

3. There are still disparities in the welfare of functional officials (position class, position allowances, and other facilities).
4. The process of transferring positions through equalization of positions with the arrangement of organizational structures and work procedures still needs to be aligned.

Streamlining the bureaucracy by restructuring organizations and equalizing positions also has a significant impact on the implementation of ASN management, including (Rakhmawanto, 2021):

1. Merit principles in qualifications, competence, performance, fairness, and transparency should be fully utilized to equalize administrator and supervisor positions into functional positions.
2. The transfer or equalization of positions is not based on inventory or the mapping of positions.
3. The mismatch between the organization's task load and the number of employee needs is caused by the transfer and equalization of positions that are not based on the results of job analysis, employee needs analysis, and employee position formation.
4. Some classes and benefits of functional positions occupied by structural administrator and supervisor officials are inappropriate. This causes the transfer of positions to consider the class of position and the greater benefits of the functional position.

The process of equalization and subsequent abolition of echelon can give the impression of eliminating administrative duties and functions within the bureaucracy. However, in practice, bureaucratic work still requires a hierarchical structure to monitor and evaluate performance in stages. As a result, this arrangement creates a situation where administrative officials who are equated to functional officials are faced with overlapping responsibilities.

In this context, these officials are burdened with additional roles as coordinators and sub-coordinators. These roles require them to simultaneously fulfill administrative obligations, such as task management and procedural oversight, in addition to their core duties as functional officers. This dual role places significant demands on their time, expertise and capacity to carry out administrative tasks and fulfill their functional responsibilities (Rahmat, 2023).

The positive things obtained from equalizing positions are the clarity of employee careers, promotion and classification can be faster than in structural positions, and the retirement age limit also increases. This, of course, must be accompanied by consistency in carrying out the job description items in a structured manner (Miranda, 2022). On the other hand, the process of equalizing and shifting administrative officials to functional officers has major implications for the evolution of work culture, especially in the context of task completion. In connection with these changes, functional officials are required to improve their competence, with particular emphasis on efforts to keep abreast of digitalization developments. This is becoming increasingly important given the increasingly widespread application of flexible work arrangements among civil servants.

Improving the competency of functional officials is an ongoing imperative that is the responsibility of each agency where these functional officials are placed (Murni, 2022; Miranda, 2022). This collective effort is important to facilitate the smooth adaptation of officials to their evolving roles and responsibilities in an era characterized by technological advances and paradigm shifts towards flexible work arrangements.

Managing Regional ASN

One of the reform agendas that has also received special attention is the management of ASN in the regions. The composition of the number of state apparatus in central and regional agencies as of June 2022 is 23% and 77%, respectively (National Civil Service Agency, 2022). Although there is no standard for the ideal composition of the number of state apparatus in the central and regional agencies, the apparatus in the central agency is 10% of the total number of state apparatus, considering that the main task of public services is in regional agencies (Center for Administrative Reform Studies, 2018).

Since decentralization was established in the Indonesian government system in 1999, the way the state apparatus is managed in the various regions has changed. Implementing civil servant management in local governments combines integrated and separate systems, which means that some management functions are under the central government's authority, and local governments manage others (Sleman Regency Civil Service Training Agency, 2019). This is in accordance with the explanation in State Civil Apparatus Law Number 5 of 2014 local governments carry out civil servant management in the regions by applicable laws and regulations.

Decentralization, which has long been practiced in Indonesia, make local governments to better understand the community needs and implement the policies to meet those needs. Implementing decentralization also changes human resource management at the bureaucratic level in local governments (Tjiptoherijanto, 2014). Some authorities related to managing civil servants in the regions include determining civil servant needs, appointing candidates and servants, determining promotions and employee rotations, and dismissing civil servants (Lindawati, Suryana, & Suwatin, 2019).

Local governments can also implement a more attractive compensation system for public servants as a form of effort to reduce the level of corruption and reward performance (Tjiptoherijanto, 2014). Compensation for civil servants in the form of salaries and allowances (performance and luxury allowances) has been regulated in Law Number 5 of 2014 concerning the State Civil Apparatus. Articles 79 and 80 explain that the salaries and benefits of civil servants working for the central government are charged to the state revenue and expenditure budget. In contrast, the salaries and benefits of civil servants working for local governments are charged to the regional revenue and expenditure budget. In line with this, Government Regulation No. 12 of 2019 concerning Regional Financial Management regulates additional income that can be given by the regional government to ASN while taking into account the regional financial capacity and obtaining approval from the Regional People's Representative Council. ASN receives additional compensation while taking into consideration the workload, site of duty, working conditions, professional scarcity, performance at work, and/or other objective considerations.

The burden of salaries and benefits for the state civil apparatus in the regions in the regional revenue and expenditure budgets becomes an issue every year. Data from the Ministry of Finance (<https://djpk.kemenkeu.go.id/portal/data/apbd>) as of May 2023 shows that personnel expenditure is still the highest component in the realization of regional revenue and expenditure budgets, with a total of 141.08 trillion out of a total expenditure of 305.62 trillion. The large number of regional civil servants certainly influences the amount of personnel expenditure. In addition, some regional non-exempt or honorarium employees are non-ASN employees whose income is financed from the regional revenue and expenditure budget.

Honorarium workers are a problem that is still being resolved today. The region's non-exempt workers currently amount to 77% (around 1.8 million) of the total central and regional non-exempt workers (Kencana, 2022). The resolution of the non-exempt personnel problem has been underway since 2005. Applicants for teachers, health professionals, agricultural extension workers, fisheries and livestock workers, and other technical personnel required by the government are given priority for appointment as non-exempt civil servants. The appointment then raises other problems, namely the unrecognized number of non-exempt workers who have worked before 2005, so they are not included in the non-exempt workers who were appointed as Civil Servant Candidates (Calon Pegawai Negeri Sipil/CPNS).

The appointment of non-exempt staff to CPNS was carried out again in 2013 based on Government Regulation No. 56 of 2012 as a follow-up to the problems of data collection and the appointment of non-exempt staff to CPNS in 2005. The appointment is carried out with several requirements that must be met by non-exempt personnel, so only those who meet the requirements can be appointed as CPNS. Since 2014, after the enactment of Law Number 5 of 2014, non-exempt workers have been required to select candidates for state civil apparatus to become government employees with work agreements. Then, the prohibition of accepting non-civil servants or non-PPPK personnel is stated in Government Regulation 49 of 2018, while non-civil servants and non-PPPK personnel who had worked since before the regulation was enacted can still carry out a maximum of 5 years.

In connection with Government Regulation No. 49 of 2018, in 2022, the Ministry of State Administration and Bureaucratic Reform issued circular letter number B/185/M.SM.02.03/2022, which contains the elimination of types of employment other than civil servants and PPPK in government agencies and a ban on the recruitment of non-ASN employees. Civil service officials are tasked with creating a strategy of action to deal with non-ASN workers who must fulfill the criteria and successfully pass the ASN candidate selection.

Possible approach to address the problem

This section delves into actionable strategies aimed at addressing the problems outlined in the preceding section. Numerous agencies have put forth a variety of solutions to tackle institutional issues pertaining to state personnel management. However, the solutions sound idealistic rather than practical. Consequently, the realization of enhanced management falls considerably short of government expectations. The subsequent portion of this section will explore the proposed solutions and assess their viability.

In a matter of addressing issues in merit system, as elaborated in the previous section, the Ministry of State Administration and Bureaucratic Reform and the State Civil Apparatus Commission provides recommendations for steps that can be taken in implementing the merit system (State Civil Apparatus Commission, 2019; Ministry of State Administration and Bureaucratic Reform, 2021). There are five points of recommendations. First, to enhance the planning of employee needs and procurement, several steps can be considered. These steps include the potential transfer of civil servants from other agencies and the utilization of the Government Employee with Work Agreement route. The second, it is essential to develop competency standards and measurement instruments while simultaneously bolstering employee capacity and competence through various avenues, such as training, education, coaching, counseling programs, and improved work practices. Thirdly, achieving transparency and objectivity in performance measurement starts with the establishment of employee performance targets derived directly from unit and agency performance targets. Fourth, providing feedback on employee performance appraisal results should be facilitated through open dialogues between superiors and subordinates. Lastly, to further support the effective implementation of state civil apparatus management, the adoption of an integrated information system is crucial, aimed at providing services that streamline processes for employees. The National Civil Service Agency has initiated this effort by developing a digital-based integrated state civil apparatus management service system known as Sistem Informasi Aparatur Sipil Negara (SIASN) (Aulia, 2022). SIASN is designed to consolidate state civil apparatus data into a single, efficient database, enabling quick and accurate access (Ministry of State Administration and Bureaucratic Reform, 2021).

Based on the recommendations provided by the Ministry of State Administration and Bureaucratic Reform, it appears that fulfilling needs through the transfer of civil servants from other agencies is possible. However, certain factors need to be considered, including competency suitability, equality of positions, and income. These factors are closely related to the long-term motivation of transferred employees. Furthermore, implementing coaching and counseling programs to enhance employees' competency capacities requires careful attention and effort. Coaching and counseling necessitate employees with specific expertise and excellent communication skills to effectively convey channeled competencies. Regarding the integrated information system being developed by the National Civil Service Agency, it has the potential to become a comprehensive database for the State Civil Apparatus through cooperation with all relevant parties. The National Civil Service Agency has mandated that all state civil apparatuses carry out independent data updates in 2021. This ongoing task is the responsibility of the entire Human Resources Bureau in each agency and each employee to ensure that the stored data remains up to date.

In response to the issues surrounding the moratorium, the recruitment of state civil apparatus candidates should be conducted while considering the need for expertise in specific fields in each region. This should also involve calculating the requirements based on the results of workload analysis and factors such as employees reaching retirement age, passing away, transferring to other agencies, or opting for early retirement. This approach addresses the challenge of the uneven distribution of state civil apparatus (Aparatur Sipil Negara/ASN) across regions, particularly outside of Java and remote areas (Republika, 2022). Therefore, if a moratorium on accepting candidates for state civil apparatus is to be implemented, it should not solely

be based on the perceived excess number of civil servants nationwide. Moratoriums can be selectively applied to positions that may no longer be needed in the future. Additionally, moratoriums can be alternately enforced in areas where the number of civil servants is deemed sufficient both in terms of quantity and field of expertise. This way, applicants can fill vacancies in areas that require state civil with diverse fields of expertise. To ensure commitment, state civil apparatus filling positions in remote areas are requested to provide a statement confirming their willingness to stay for a specified period. This step is expected to further balance the distribution of state civil apparatus across the country.

In the context of the recruitment system, the State Personnel Agency, responsible for the development and organization of the selection of state civil apparatus candidates using computer-assisted tests (CAT), has undertaken improvements to enhance the recruitment system. One effective measure to minimize the existing deficiencies in the selection process is the implementation of an independent selection system. This self-selection system can be adopted by incorporating the TOEFL implementation system.

As the agency responsible for developing CAT, the National Civil Service Agency (Badan Kepegawaian negara/BKN) can issue licenses to institutions or agencies that meet specific requirements, enabling them to conduct CAT examinations. Subsequently, candidates can register and take the CAT exams at these licensed institutions, following the designated test schedules for each institution. Participants who have successfully completed the CAT exams receive a CAT score certificate, which they can use when applying to various government agencies with job openings. It is expected that CAT organizing institutions can spread throughout Indonesia and be closer to participants' locations.

Government agencies that have job vacancies will typically establish minimum CAT score requirements, and candidates' eligibility for employment will be determined based on their CAT scores, with priority given to those with the highest scores. Each agency that opens a vacancy must utilize BKN's State Civil Apparatus Candidate Selection System portal to achieve an equitable distribution of vacancy information. Participants wishing to register must use the portal and can only register for one vacancy during a single registration period. Therefore, if multiple agencies have vacancies in the same period, participants can only register with one agency. Participants can only register with other agencies after they have been declared unsuccessful in the selection process at the agency they initially applied to, preventing vacancies from remaining unfilled.

This system is expected to minimize cheating because participants can choose the test schedule and prepare themselves before taking it. The conditions and situation of the test implementation with fewer participants also have a psychological effect on participants, making them feel calmer when facing the test. Additionally, technical problems in the field, such as power failures, inadequate internet networks, and uncomfortable test locations, can be minimized by establishing BKN's requirements for granting CAT licenses to institutions that wish to become official CAT organizers. Civil servant can concentrate more on performing their tasks and functions in accordance with their roles by reducing the involvement of them in CAT implementation.

A more extensive question bank is required to maintain result quality. BKN also serves as the sole agency authorized to issue CAT score certificates to prevent the falsification of score certificates. Participants can check their real-time scores, but the official certificate will only be available to participants a few days after the test.

The last issue to discuss is bureaucratic downsizing. The equalization of positions, which is one form of bureaucratic downsizing, causes a mismatch in educational qualifications and competencies. For this reason, the functional position fostering agency needs to play a big role in overcoming the problem of inappropriate education and competence by actively fostering functional officials from equalizing positions. Functional position coaching can be in the form of education and training, and functional officials can be structured through competency testing and certification (Deputy for Mutation of the National Civil Service Agency, Aris Windiyanto, in his interview with *Simpul Perencana* magazine, April 2022). Functional position fostering agencies also need to prepare instruments related to the requirements and competencies of functional positions. In contrast, the agencies where civil servants are located must improve the competence of employees by the field of duties, needs, and job requirements so that employee placement is not arbitrary (Murni, 2022).

In addition, organizational leaders must be open, socialize, and build communication with employees so that they know and understand their functional duties. This openness will allow employees to express their problems without hesitation (Murni, 2022). Functional position-fostering agencies can also conduct mapping within the national scope of functional positions under their guidance. The mapping is carried out by looking at each functional official's education, competence, and performance. From the mapping results, it will be known how many officials are eligible to continue, how big the competency gap is, and even the arrangement or placement plan. The mapping results become the basis for mutation or transfer policies to other functional positions, competency development, and placement mutations. (Deputy for Mutation of the National Civil Service Agency, Aris Windiyanto, in his interview with *Simpul Perencana* magazine, April 2022).

In light of the government's decision to eliminate non-exempt workers beginning in November 2023, there is a concurrent plan to amend the State Civil Apparatus Law. The draft law will contain Government Employees with Part-Time Work Agreements, and a new formation of the State Civil Apparatus, which is planned to be a solution to the elimination of non-exempt workers. Eliminating non-exempt workers, which amounted to around 2.3 million people, certainly raises pros and cons. The government does not plan to conduct mass layoffs of non-exempt workers whose status is not contained in the law. Therefore, this part-time PPPK is a solution so non-exempt workers retain their jobs and income. The government also benefits because it does not increase the budget for employee spending. This is because the part-time PK salary will not be greater than that of the non-exempt workers, who will be abolished as of November 28, 2023. This part-time PPPK does not work full-time like previous civil servants and PPPKs. The agreement determines the working time (Yesidora, 2023).

Conclusion

The discussion of this paper has shed light on the evolving complexity of personnel structuring and management in Indonesia, particularly under the umbrella of bureaucratic reform. Over the past decade, Indonesia has embarked on a journey to reform its civil servant to create a professional and adaptive government bureaucracy. The Grand Design of Bureaucratic Reform sets ambitious goals for various aspects of government management, ranging from organizational structuring to public service excellence. To achieve these objectives, the national government has implemented several strategies, each with its unique focus and challenges. First, the introduction of the merit system marked a significant step toward creating a corruption-free, competent bureaucracy. However, challenges like limited understanding among civil servants and budget constraints have hindered its full implementation. The second, while the moratorium of civil servant recruitment is aimed to save costs and streamline the workforce, it faced criticism for limiting job opportunities, especially in a country where civil service jobs are highly sought after. Third, the transition from paper-based tests to computer-assisted tests has improved transparency, efficiency, and accountability in civil servant recruitment system. However, challenges like power outages and question standardization have emerged, emphasizing the need for continuous improvement. Fourthly, to streamline operations and decision-making, the government simplified its bureaucratic structure by eliminating some hierarchical positions and focusing on functional positions that value expertise and competence. This shift aims to reduce corruption and improve efficiency within the civil service. However, it should be remembered that structural officers, when equated to functional officers, do not necessarily have the ability to carry out their duties effectively. These limitations are caused by changes in their work patterns and a lack of understanding of the responsibilities attached to their new role as functional officers. This problem requires immediate attention and improvement, the responsibility not only lies with the institution where the civil servant employee works but also the institution that develops the functional position. The fifth, decentralization in Indonesia has led to differences in civil servant management between central and regional governments. While local governments can tailor policies to better meet community needs, managing personnel expenditure and addressing issues like honorarium workers remain ongoing challenges.

In summary, Indonesia's journey to reform its civil service is multifaceted and ongoing. It involves addressing numerous challenges, from limited resources to resistance to change. However, the commitment to build a professional, transparent, and accountable bureaucracy remains at the core of these reform efforts, with the ultimate goal of better serving the needs and expectations of the Indonesian people. The success of these reforms will continue to shape the country's administrative

landscape in the years to come.

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Civil Service Management of Lao PDR 2012-2022



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ABSTRACT	84
LIST OF FIGURES	85
CHAPTER 01: Overview of Lao PDR and Government Structure	86
Overview of Lao PDR	86
Structure of Government	86
CHAPTER 02: Civil Service Management in Lao PDR	87
CHAPTER 03: Overview of Civil Service Management System in Lao PDR	90
3.1 Roles and responsibilities of Central Committee for Organization and Personnel	91
3.2 Role and Functions of Ministry of Home Affairs:	91
3.3 Roles and responsibilities of Personnel and Organization Department of the line ministries and Ministry-equivalent organizations	92
CHAPTER 04: Civil Service Management Reform in Lao PDR	92
CHAPTER 05: Development of Civil Service Management	94
CHAPTER 06: Challenges and Opportunities	95
CHAPTER 07: Future of Civil Service Management	96

ABSTRACT

The need for the accountable, effective, transparent and responsive civil service management is well recognized by the Government of Lao PDR. The success of the 9th National Socio-Economic Development Plan (NSED) 2021-2025 is largely depending on continued progress and improvement of the enabling public policies and strengthened government institutions.

This is echoed by the 09 Work plans of the Strategy on Civil Service Management to 2030 which emphasized on ① Formulation and amendment of legislation on civil service management; ② Effective Workforce Planning; ③ Improve and develop the performance management system; ④ Improve civil service training and development system; ⑤ Improve civil service remuneration system and other incentives; ⑥ The Information communication technology (ICT) and Digitalization in civil service management; ⑦ Promote and provide more opportunities in developing capacity of female, ethnic and vulnerable civil servants; ⑧ Promotion of establishing good environment and safety for civil servants ⑨ Promote the cooperation at regional and international level on civil servant matters.

The Lao Government has taken a step to simplify and rationalize its organizational machinery to enable them to improve civil service management and public service delivery. The Central Committee for Organization and Personnel (CCOP) and The Ministry of Home Affairs (MoHA) as the two national Civil Service Management organizations have given an increased mandate to lead the ongoing public administration reform and civil service management agenda other than those Personnel and organization department in the line ministries. Those two organizations are responsible for policy development, legislation and oversee the civil Service management and public service nationwide.

While the government of Lao PDR is promoting decentralization, the public services and civil service management reform also had been introduced as an improvement of the productive performance of the public service and the enhancement of the personal development of their government officials through the establishment and operation of effective training programs. This process has been accepted as national policies.

Even though the government of Laos has emphasized the training and capacity development of its civil servants and digital transformation as their priority tasks, but the insufficient resources and capacity is still a major constraint on its current public administration reform and socio-economy development.

In summary, this empirical research has comprehensively revealed. In order to take an in-depth understanding of the civil service management in Lao PDR, this research has also comparatively analyzed the comparison of statistics, the structure of the organizations as well as the human resource management system.

Finally, the author strongly believes that the future of civil service management holds great potential for the development and progress of the country. By ensuring transparency, professionalism, modernization and efficiency, the civil service can effectively serve the needs of its citizens and contribute to the achievement of national socio-economic development goals as well as the national agenda on economic recovery in post COVID-19 era. With the right reforms, investments, and partnerships, Lao PDR can build a modern and effective civil service that is capable of meeting the challenges of the future.

LIST OF FIGURES

Figure 01: Structure of Government of Lao PDR	87
Figure 02: Statistic of Population of Lao PDR, National Statistical Bureau, Ministry of Planning and Investment.....	88
Figure 03: Comparison of Civil Service to population of Lao PDR.....	89
Figure 04: Ratio of Civil Servants of Lao PDR in 2022	89
Figure 05: Comparison of New Recruited Civil Service of Lao PDR 2012-2022	89
Figure 06: Comparison of Total Civil Servants of Lao PDR 2021-2022	90

CHAPTER 01: Overview of Lao PDR and Government Structure

Overview of Lao PDR

Lao People's Democratic Republic (PDR), commonly known as Laos, is a country located in Southeast Asia. It shares borders with Vietnam to the east, Cambodia to the southeast, Thailand to the west, Myanmar (Burma) to the northwest, and China to the north. The Mekong River also forms a significant part of Laos' western boundary with Thailand. With an area of approximately 236,800 square kilometers, Lao PDR has a population of around 7.4 million people (as of 2022). Vientiane is the capital and largest city of the country.

Lao PDR has a diverse ethnic makeup with 50 ethnic groups across the countries. The majority of population is Lao ethnic which accounts for 55 percent of the whole population. About 11 percent are Khmou, 8 percent Hmong, and the rest are other ethnic groups including Akha, Singsil, Lue, Lamed, Tai, Katu, Triang and Harak, Oy and Brao (Laos population census 2022, National Statistics Bureau of Lao PDR).

The economy is predominantly based on agriculture, with the majority of the population engaged in subsistence farming. Agriculture contributes to the country's export earnings, with key crops including rice, coffee, tea, and rubber. Additionally, hydropower generation, mining, and tourism are significant contributors to the economy.

The country is known for its rich natural beauty and cultural heritage. The country is home to several UNESCO World Heritage Sites, including the town of Luang Prabang, Vat Phou and associated ancient settlements, and the Plain of Jars. Tourists visit Lao PDR to explore its lush landscapes, historic temples, and experience its unique local traditions and festivals.

However, Lao PDR still faces various challenges, including limited infrastructure development, poverty, and inadequate access to healthcare and education services in rural areas. The government is working towards addressing these issues through ongoing development initiatives and economic reforms.

The government's policies prioritize poverty reduction, sustainable development, and social welfare. While there have been efforts to promote economic liberalization and attract foreign investment, the government maintains control over key sectors of the economy.

Structure of Government

The structure of Government of Lao PDR consists of the Prime Minister, Deputy Prime Ministers, Ministers and Chairmen of the ministry-equivalent organizations. The structure of the Government of Lao PDR at the moment consists of 15 ministries and 02 Ministry-equivalent organizations.

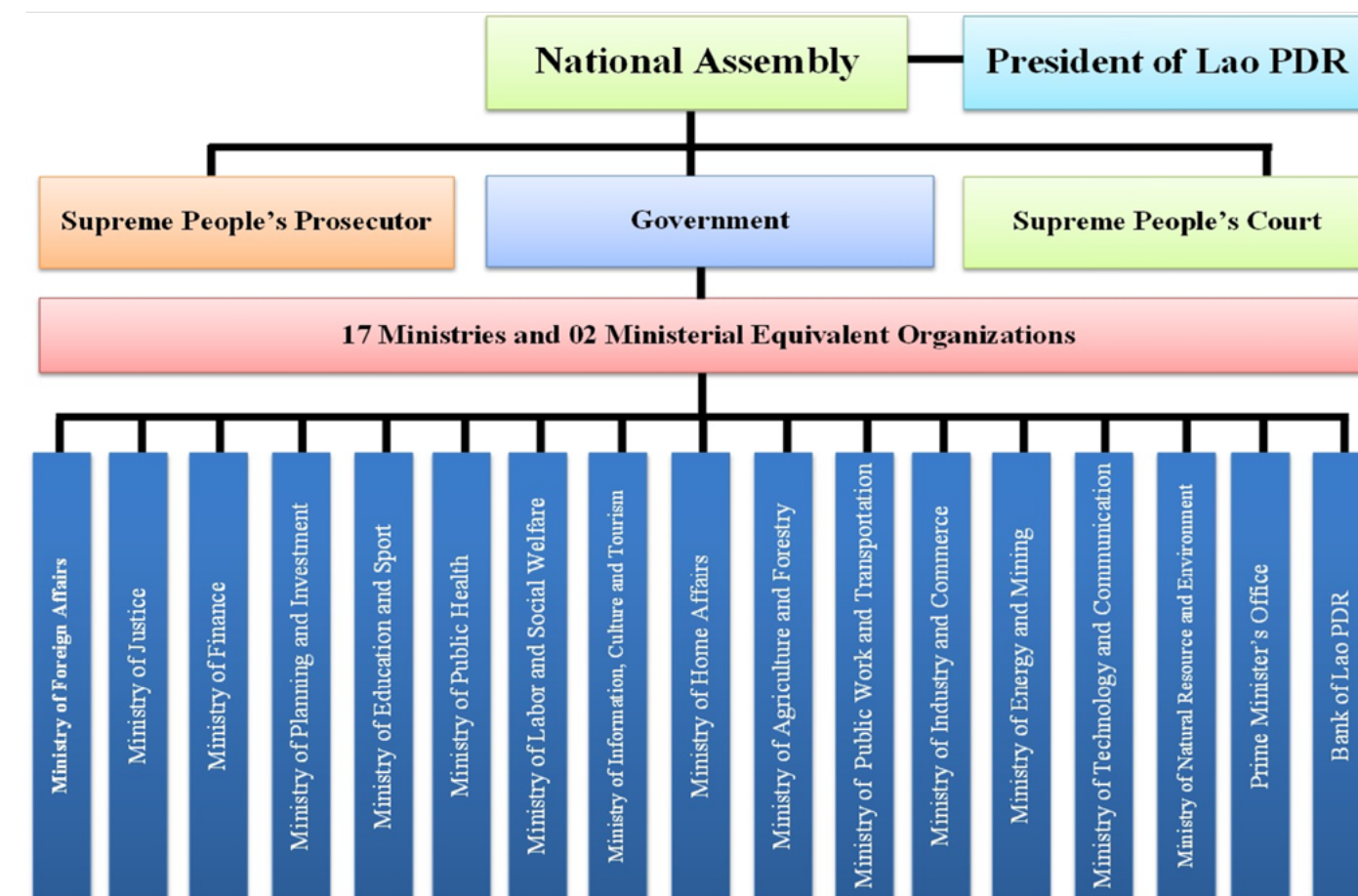


Figure 01: Structure of Government of Lao PDR.

CHAPTER 02: Civil Service Management in Lao PDR

Overview of Civil Service Management System

Civil service management in Lao PDR is an essential aspect of ensuring the effective socio-economic development of the nation. It encompasses various strategies and practices to recruit, train/development, motivate, and retain talented individuals in the public sector. Effective civil service management is crucial for promoting good governance, enhancing public service delivery and achieving the national socio-economic development goals.

Under the National Constitution and Strategy of Civil Service Management to 2030, The civil service management of Lao PDR is implemented under law on civil service and several decrees as ❶ Decree on Administrative Position of Civil Servants of Lao PDR, No 203/GOVL ❷ Decree on Technical Position of Civil Servants of Lao PDR, No 202/GOVL. ❸ Decree on Training and Development of Civil Servants, No 294/GOVL. ❹ Decree on Performance Appraisal of Civil Service of Lao PDR, No 300/GOVL. ❺ Decree on Eligibilities and Criteria of Administrative Position of Civil Service of Lao PDR, No 461/GOVL ❻ Ministry of Home Affairs Instruction on Civil Service Examination, No 11/MOH and etc.

Recruitment is a fundamental step in civil service management. Lao PDR has adopted a merit-based approach to ensure that individuals are selected based on their knowledge, skills, and abilities rather than nepotism or bribery. The Civil Service Law provides a framework for fair and transparent recruitment processes. These processes involve competitive exams and interviews, promoting equal opportunities for all citizens to serve their country.

Training and development programs play a crucial role in building the capacity of civil servants in Lao PDR. The Lao Civil Service Institute (LCSI) is the key institution responsible for providing training and development programs to enhance

the skills and knowledge of civil servants. These programs focus on a wide range of areas, including public administration, leadership, management, and specialized technical skills. Developing competent and skilled civil servants ensures efficient and effective service delivery to the people.

Motivating civil servants is another important aspect of civil service management. In Lao PDR, the government has implemented policies and practices to promote motivation and job satisfaction among civil servants. These policies include performance-based incentives, career development opportunities, and a fair and transparent performance appraisal system. By rewarding good performance and providing opportunities for growth, civil servants are encouraged to work diligently and contribute to the overall development of the country.

Retention of skilled civil servants is crucial for the continuity and stability of government institutions. Lao PDR has recognized the importance of retaining talent and has implemented strategies to retain experienced and dedicated civil servants. These strategies include competitive salaries, benefits, and a positive work environment. The government strives to create an attractive and supportive workplace that recognizes the contributions of civil servants and provides opportunities for career advancement.

Civil service management in Lao PDR plays a vital role in ensuring the effective functioning of government institutions. Through merit-based recruitment, training and development programs, motivation, and retention strategies, the government aims to build a competent and dedicated civil service. By doing so, Lao PDR can enhance governance, improve public service delivery, and achieve its socio-economic development goals. The effective civil service management is a cornerstone of a successful and prosperous nation.

Statistic/Ratio of Civil Servants

Fiscal year	New Quotas	Total Civil Servants	Total Population	Percentage per population	New Recruitment Quotas for Teachers
2012-2013	12,550	156,527	6,521,998	2.40	4,674
2013-2014	16,500	171,710	6,644,000	2.57	4,830
2014-2015	5,000	177,826	6,809,000	2.62	1,775
2015-2016	5,000	182,473	6,492,400	2.81	1,843
2017	5,000	183,680	6,492,400	2.82	1,861
2018	3,000	184,671	6,492,400	2.84	1,850
2019	1,500	182,169	6,492,400	2.81	879
2020	2,000	178,821	7,231,210	2.47	1,040
2021	1,600	176,151	7,337,777	2.40	530
2022	1,300	175,058	7,489,515	2.34	340
Total	53.450				19.622

(Figure 02: Statistic of Population of Lao PDR, National Statistical Bureau, Ministry of Planning and Investment)

The total numbers of civil servants had been increased from 156,527 (2012) to 175,058 (2022), while the new quotas had been decreased from 12,550 (2012) to 1,300 (2022) due to the national agenda on the economic recovery, the government of Lao PDR formulated the right-sizing policy and government re-structure in late 2018.

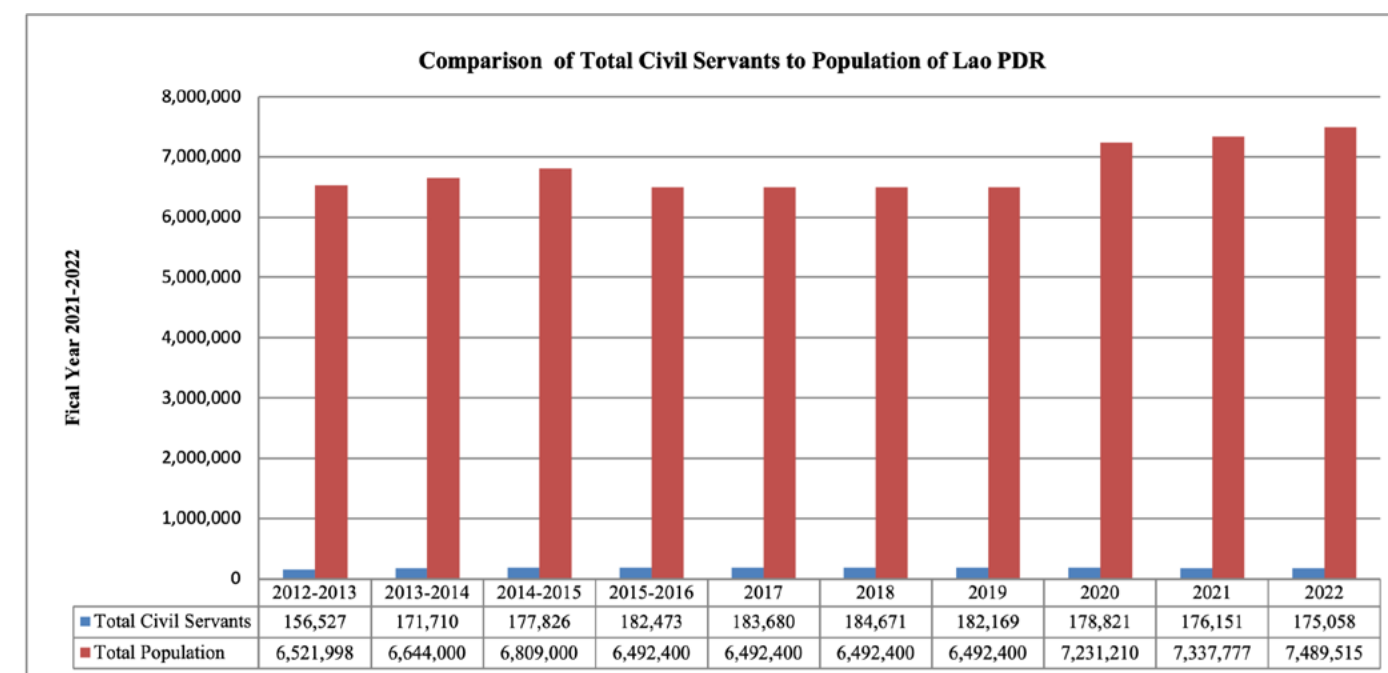


Figure 03: Comparison of Civil Service to population of Lao PDR

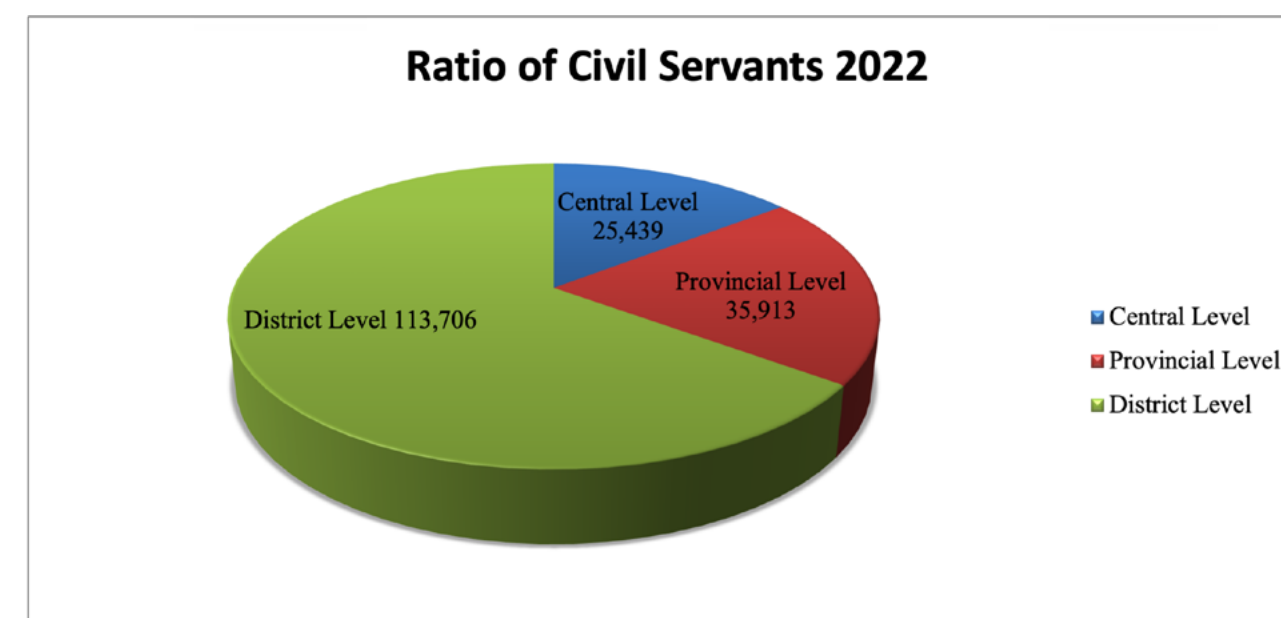


Figure 04: Ratio of Civil Servants of Lao PDR in 2022

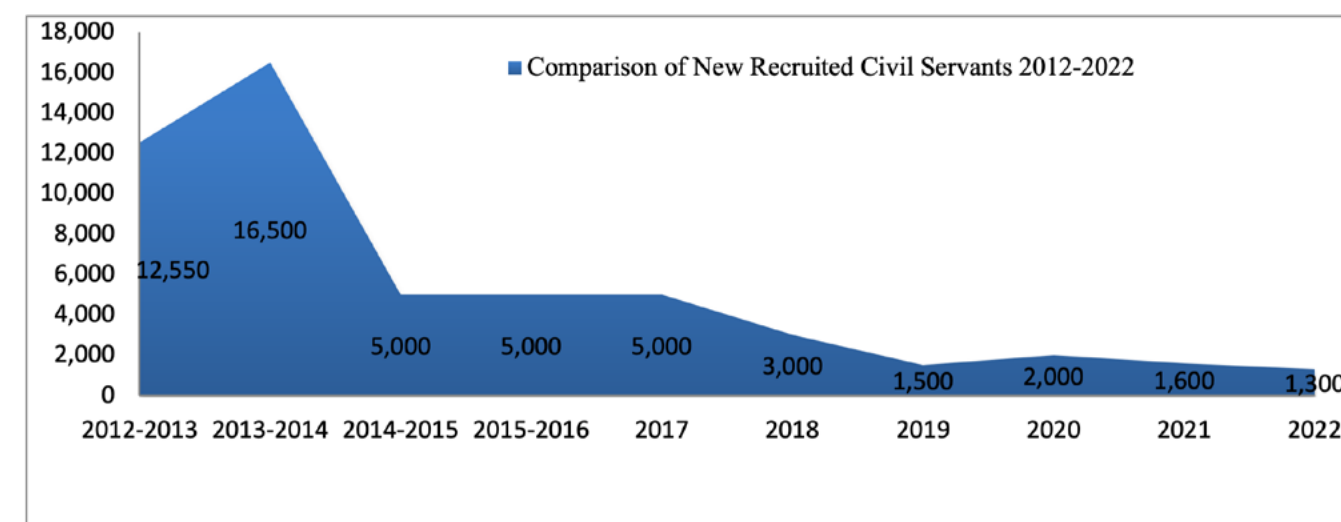


Figure 05: Comparison of New Recruited Civil Service of Lao PDR 2012-2022

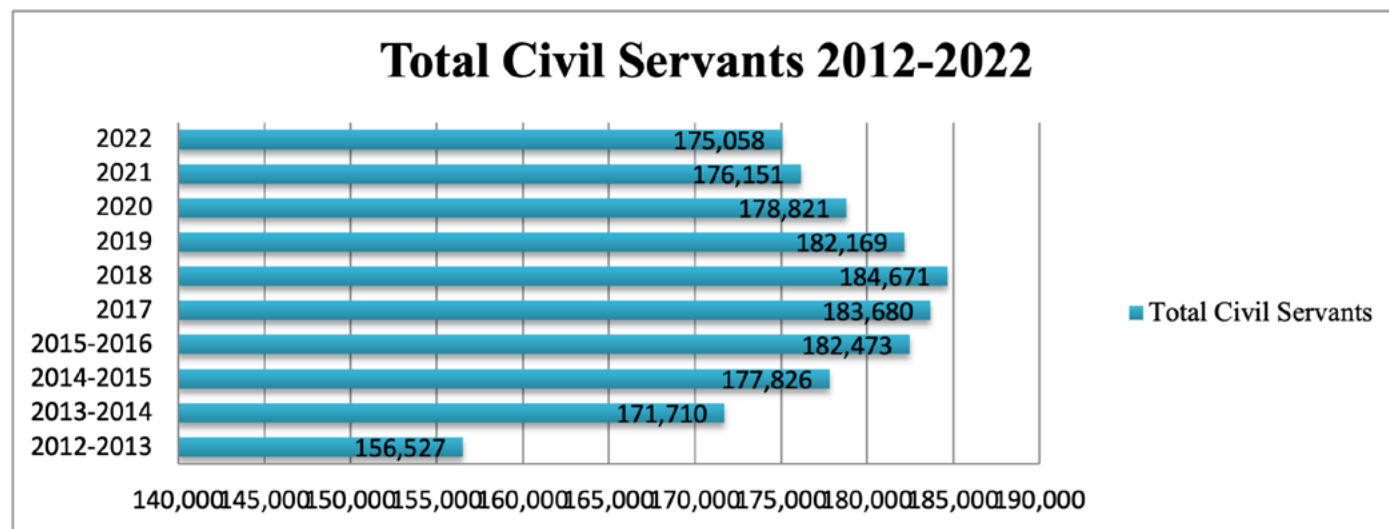


Figure 06: Total Civil Servants of Lao PDR 2021-2022

This figure illustrates that number of civil servants has been dramatically increasing in the past decade. However, there remains a real challenge at district and provincial levels in terms of ensuring that sufficient capacity is in place to meet implementation challenges. In addition, many central agencies state that they have insufficient staff to meet their needs. The challenge of insufficient workforce is further compounded by relatively low skill levels in personnel planning in many public organizations.

Total number of civil servants of Lao PDR in 2022 is 175,058 including 83,066 females; it is about 2.34% of population.

CHAPTER 03: Overview of Civil Service Management System in Lao PDR

Since the promulgation of the Constitution in 1991, the Government of the Laos has adopted a number of regulations and laws with the view to ensure the improvement of the administrative system from the central to the local levels, and to promote and enhance people's democracy on the principle as stipulated in Article 2 of the Constitution: "All powers belong to the people, by the people and for the interests of the multi-ethnic people of all social strata with the workers, farmers and intelligentsia as key components". In order to translate the Constitution into a concrete action plan, especially in the area of Civil Service Management, the Lao Government approved the law on Law on Civil Service and several legislatives. Under the law on Civil Service, the key civil service management agencies have been defined to clarify its mandate and functional system to ensure transparency and conformity of management.

There are three main agencies to operate the civil service management in Lao PDR as:

1. **Central Committee for Organization and Personnel (CCOP)**, that is responsible for high executive officials from the director general level and above in term of statistics, promotions, transfer, remuneration and compensation, allowance, training and development and etc.
2. **Ministry of Home Affairs (MoHA)** that is responsible for making a common policy, regulations, strategies, procedure and process for management of civil servants at the level of Deputy Director General down to technical official and supporting employees throughout the nation.
3. **Personnel and Organization Department of the line ministries and Ministry-equivalent organizations** responsible for the statistics, promotions, transfer, remuneration and compensation, allowance, training and development of the civil servants in their own organization.

3.1 Roles and responsibilities of Central Committee for Organization and Personnel

The Central Committee for Organization and Personnel holds the following rights and duties:

1. Study policies, guidelines, strategic plans, laws and regulations on the management of civil servants from the level of director general of department, heads of government agencies holding equal rank to department and above for submission to higher authorities' consideration;
2. Propagate, disseminate policies, guidelines, strategic plans, laws and regulations on the management of civil servants from the level of department directors and heads of government agencies holding equal rank to departments and above countrywide;
3. Define the standards and criteria for appointing or transferring civil servants from the level of director general of department and heads of government agencies holding equal rank to departments and above;
4. Study and develop capacity building programs, training and development plans for civil servants from the level of director general of department, heads of government agencies holding equal rank to departments and above, including civil servants holding PhD degrees in politics and administration;
5. Conduct the civil servant performance assessment from the level of director general of department and heads of government agencies holding equal rank to departments and above;
6. Study and propose higher authorities consider applying remuneration towards high-level official in accordance with regulations;
7. Follow up on the management of civil servants countrywide;
8. Collect of statistics and management of files on civil servants from the level of director general of department, heads of government agencies holding equal rank to departments and above;
9. Coordinate the management of civil servants with central and local public organizations, the Lao Front for National Construction and mass organizations;
10. Maintain external, regional and international relations and cooperation on the management of civil servants;
11. Regularly summarize and report its activities to higher authorities;
12. Exercise other rights and perform other duties as stipulated by laws and regulations.

3.2 Role and Functions of Ministry of Home Affairs:

Ministry of Home Affairs is a state organization at central level within the organizational structure of the Government. Among its contributions to governance and public administration reform; As a main secretariat for the government in charge of civil service management. Specifically, the functions of MoHA covers a number of broader dimensions of public service, and have been defined as follows;

1. To study and draft laws and regulations on public administration and civil service management in accordance with its roles, functions, and responsibility for submission to concerned organizations for approval and promulgation;
2. To formulate strategic plans, policies, and development/work plans, programs and projects in order to improve public administration regulations, organizational structures and civil service management;
3. To analyze and propose the improvement of government structure; including the establishment, dissolution, or merger of ministries, equivalent organizations, and state organizations at provincial level;
4. To advise on proposed changes regarding the roles, functions, and organization structures of ministries, equivalent organizations, close collaboration with ministries and organizations concerned to define the structures and activities of local vertical departments;
5. To assist the government in developing draft regulations for the establishment of civil society organizations, and provide advice to ministries, equivalent organizations, and local administrations on the establishment and management of activities of those organizations;
6. To study and propose the establishment, division, merger or definition of boundaries of provinces, cities, districts, and

municipalities for Government's consideration, and to coordinate with relevant local administrations to consider the resolution of boundary-related conflicts or to refer for conflict resolution to relevant higher authorities;

7. To provide advice to local administration on procedures and methods for the election and appointment of village chiefs, the establishment of development communities in accordance with the Law on Local Administration;
8. To formulate mechanisms, regulations, and recommendations for the management of civil servants; and to develop and effectively implement guidelines/procedures relating to these regulations;
9. To manage civil servants, collect statistics, information, and curriculum vitae of all civil servants; determine the civil service quota and submit to the Government for approval; encourage and supervise ministries, agencies, and local administration on HRM related issues such as job descriptions, staff deployment and transfer, recruitment processes, and updating grades and levels of civil servants;
10. To settle or refer to high authorities, any conflicts, complaints or proposals of civil servants related to restructuring, staffing, appointment, transfer, remuneration or disciplinary actions taken against them;
11. To monitor and evaluate the implementation of improvements of organization structures, civil service management reform and other issues in ministries, equivalent organizations and local administrations;
12. To plan and manage citizen in term of settlement, birth registration, married, population movement and others; and
13. To cooperate and coordinate with international organizations on public administration and civil service matters.

3.3 Roles and responsibilities of Personnel and Organization Department of the line ministries and Ministry-equivalent organizations

Personnel and Organization Department of the line ministries and Ministry-equivalent organizations have the following rights and duties:

1. Research and develop strategic plans for the management of civil servants under their purview based on the government's strategic and overall plans;
2. Research and develop master plans and plans for training and development of civil servants in their sectors on technical matters and junior executive officers on governance from time to time;
3. Research and set standards for administrative and technical positions and terms of reference for civil servants in their sectors;
4. Manage the number and quality of civil servants, apply policies to and disciplinary sanctions against civil servants in accordance with the laws and regulations;
5. Summarize civil servants management activities and annual recruitment requirements for report to the Ministry of Home Affairs in accordance with the regulations;
6. Organize examinations for new recruitments, promotion, upgrading, appointment, transfer, dismissal and assessment of performance by civil servants in their sectors;
7. Utilize a modern civil servants information management system that may be linked to other sectors and the Ministry of Home Affairs;
8. Consider and resolve complaints and petitions from civil servants within the scope of their responsibilities;
9. Maintain external, regional and international relations and cooperation in the management of civil servants;
10. Regularly summarize and report their activities to higher authorities and the Ministry of Home Affairs;
11. Exercise other rights and perform other duties as stipulated by laws and regulations.

CHAPTER 04: Civil Service Management Reform in Lao PDR

Civil service management reform in Lao PDR was implemented periodically in accordance to the national socio-economic development plan and national strategies. The main purpose of the reform is a critical aspect of modernizing and enhancing the efficiency and effectiveness of government institutions. In Lao PDR, the government has recognized the need for

comprehensive civil service reform to promote good governance, improve public service delivery, and strengthen administrative capacity. This study provides an overview of the civil service reform efforts in Lao PDR, highlighting key challenges and initiatives undertaken by the government to address them.

Lao PDR has undergone significant political and economic transformations since its establishment as People Democratic and Republic regime in 1975. With a central planning system that controlled all aspects of the economy and public administration, the civil service in Lao PDR faced various challenges such as insufficient of law and regulation, unsystematic workforce planning (in remote area), low salary and wages, inappropriate performance evaluation system, insufficient of regular training and professional/ skill development, lack of ICT and high technology/facilities.

Key Challenges:

Limited Institutional Capacity: Lao PDR's civil service institutions have historically faced challenges due to limited human resources, weak organizational structures, and inadequate training and development programs.

Inadequate Compensation and Incentives: Low salaries and inadequate benefits have resulted in difficulties attracting and retaining qualified and motivated civil servants.

Lack of Performance Management Systems: The absence of robust performance management systems hinders monitoring and evaluation of civil servants, which affects accountability and productivity.

Government Initiatives:

Recognizing the need for civil service reform, the government has taken several initiatives to address the challenges and improve the efficiency and professionalism of the civil service.

Legal and Institutional Framework:

The government enacted the Civil Service Law in 2015, providing the legal basis for civil service management and formulated several policies, strategy of civil service management and relevant regulations as well as promoting the decentralization of civil service management national.

Capacity Building and Training/Development:

The government has prioritized capacity building and training programs to enhance the skills and competencies of civil servants. The National Academy of Politics and Public Administration (NAPPA) and Public Administration Research and Training Institute (PARTI) of Ministry of Home Affairs are the main training providers that to implement the training and professional development opportunities across various sectors.

Recruitment and Merit-Based Systems:

Efforts have been made to strengthen the recruitment process and promote merit-based appointments, enabling qualified individuals to join the civil service. The Ministry of Home Affairs Instruction on the Recruitment and Civil Service Examination had been formulated in order standardized recruitment and selection procedures. The Merit-Based Examination System (E-Civil Service) is being studied and defined as one of the significant goals of the Civil Service Management Strategy to 2023.

Performance Management:

The government has introduced performance evaluation systems, such as the Performance Appraisal System (PAS), to assess and improve the performance of civil servants. This system links performance evaluation to professional development and career progression.

Compensation and Benefits:

In recent years, the government has made efforts to increase civil servant salaries and provide additional benefits to attract and

retain talent. The introduction of a new salary structure and allowances has aimed to improve living conditions and motivate civil servants.

Anti-Corruption Measures:

The Lao government has prioritized anti-corruption measures within the civil service. The establishment of the State Audit Authority and Lao National Committee for Anti-Corruption (NACC) has strengthened efforts to combat corruption through investigation, prevention, and awareness-raising campaigns.

Modernize the Civil Service Management System (PIMS):

Personnel Information Management System (PIMS) is the current information system that is being utilized in all central government organizations and province. The Ministry of Home Affairs is in charge of the system management and recently put their effort to roll-out the system to district level. However, the functions of the system are limited not covered all dimensions of the civil service management.

Civil service reform in Lao PDR is an ongoing process aimed at improving the efficiency, transparency, and accountability of the public administration. The government's initiatives to address the challenges faced by the civil service reflect its commitment to promoting good governance and enhancing public service delivery. While progress has been made, sustained efforts are needed to ensure the successful implementation and institutionalization of civil service reforms, thereby transforming the civil service into a professional, merit-based, and efficient institution that serves the needs of the Lao people.

CHAPTER 05: Development of Civil Service Management

The development of civil service in Lao PDR has been an ongoing process since 1991. Over the years, the Lao government has taken steps to establish a professional and efficient civil service to effectively implement its policies and programs.

One of the key milestones in the development of civil service in Lao PDR was the enactment of the Law on Civil Servants in 2015. This law provided the legal framework for the recruitment, appointment, promotion, and discipline of civil servants. It also aimed to ensure the integrity, professionalism, and impartiality of civil servants in serving the public interest.

In the early years, the civil service in Lao PDR faced various challenges, including limited human and financial resources, lack of specialized skills and expertise, unsystematic performance appraisal regime, information management and civil service digital transformation. However, the government has made efforts to address these challenges through various reform initiatives.

To enhance the capacity and professionalism of civil servants, the Lao government has introduced training and capacity-building programs. These programs aim to equip civil servants with the necessary knowledge, skills, and competencies to effectively perform their duties. Those public service training institutes provide comprehensive training and development opportunities for civil servants. The curriculums mainly focus on the leadership skill, legislations, public administration, project management for the senior manager, middle managers to supporting employees.

Efforts have also been made to improve transparency and accountability in the civil service. The government has implemented policies and mechanisms to prevent corruption, such as the establishment of anti-corruption agencies and the introduction of asset declaration requirements for civil servants prior to the promotion and retirement.

In recent years, the Lao government has placed increased emphasis on merit-based recruitment and promotion in the civil service. It has introduced competitive examination systems to ensure fair and transparent recruitment and promotion processes. The government is also working towards decentralizing the civil service system to ensure efficient service delivery at the local level by implementing the 3 builds policy (Samsang Policy) to empower the local authorities, particularly, the allocation of some

civil service management tasks to those local authorities in order to alleviate poverty and enable Laos to graduate from the United Nations'list of least developed countries in 2026.

Despite these efforts, challenges still remain in the development of civil service in Lao PDR. These include the need for further capacity building, addressing issues unsystematic performance appraisal regime, information management and civil service digital transformation and improving the attractiveness of public service careers to attract and retain talented individuals.

Overall, the development of civil service in Lao PDR is an ongoing process, and the government continues to work towards establishing a professional, efficient, and accountable civil service to support the country's national socio- economic development goals.

CHAPTER 06: Challenges and Opportunities

The challenges and opportunities of civil service management in Lao PDR are critical factors that shape the country's ability for effective and efficient governance. Lao PDR is a landlocked country in Southeast Asia with a communist government, and the role of civil service management is crucial in implementing policies that drive socio-economic development.

One of the key challenges faced in civil service management in Lao PDR is the lack of qualified and skilled civil servants. The country's education system has been historically limited in providing quality education and skill development opportunities. This has resulted in a scarcity of professionals with the requisite knowledge and expertise to effectively carry out their roles within the civil service. Without a highly skilled and efficient civil service, it becomes challenging to implement policies and programs that address the needs of the people and improve service delivery.

Furthermore, decentralization efforts in Lao PDR have presented both challenges and opportunities for civil service management. Decentralization aims to empower local governments and enhance public service delivery at the grassroots level. However, the successful implementation of decentralization requires capacity building, as local governments may lack the necessary skills and resources to effectively manage public services. Strengthening the capacity of local civil servants through training and support can help overcome these challenges.

Despite the challenges, there are also several opportunities for civil service management in Lao PDR. The country has a young and growing population, which presents a demographic dividend. By investing in education and skill development programs, the government can harness the potential of its youth population to meet the demands of the civil service. This can include strengthening educational institutions, promoting research and development, and providing scholarships and opportunities for further study abroad.

Moreover, advancements in technology offer opportunities for improving civil service management in Lao PDR. Digitalization can streamline administrative processes, enhance transparency, and improve service delivery. Implementing e-governance systems, such as online service portals and digital payment platforms, can simplify procedures and reduce corruption risks. Utilizing data analytics can also provide valuable insights for evidence-based policymaking and decision-making.

Another opportunity lies in fostering international cooperation and sharing best practices in civil service management. Lao PDR can benefit from partnerships with other countries that have successfully managed their civil service systems and overcome similar challenges. Collaborative initiatives, exchange programs, and technical assistance can help enhance the capacity and knowledge of civil servants in Lao PDR.

Civil service management in Lao PDR faces several challenges, including a lack of skilled personnel, human and financial resources, lack of specialized skills and expertise, unsystematic performance appraisal regime, information management and

civil service digital transformation and the need for capacity building in decentralization efforts. However, there are also opportunities for improvement, such as investing in education and skill development, leveraging technology for digitalization, and promoting international cooperation. Effectively addressing these challenges and capitalizing on the opportunities will be essential for Lao PDR to strengthen its civil service and achieve sustainable development for its people.

CHAPTER 07: Future of Civil Service Management

The future of civil service management in Lao PDR is crucial for the development and progress of the country. As Laos continues to grow and emerge on the global stage, it is essential that its civil service is well-equipped and capable of effectively serving the needs of its citizens.

In recent years, the Lao government has recognized the importance of improving civil service management and has taken steps to modernize and reform its systems. This includes implementing new recruitment processes, promoting meritocracy, and enhancing training and capacity building programs and launching the Personnel Information Management System (PIMS). These efforts have yielded positive results, but there is still much work to be done.

One key aspect that needs attention is ensuring the transparency and accountability of the civil service. Unsystematic Performance Appraisal has been a long-standing issue in Laos, and it is imperative that measures are put in place to prevent and combat this problem. This can be achieved through establishing robust mechanisms, and promoting a culture of integrity within the civil service.

Furthermore, the future of civil service management in Lao PDR must also focus on enhancing the professionalism and efficiency of its workforce. This can be achieved through effective human resource management practices, such as performance appraisal, career development programs, and appropriate reward systems. By incentivizing high performance and providing opportunities for growth and advancement, the civil service can attract and retain talented individuals who can contribute to the country's development.

Another important aspect to consider is the use of technology in civil service management. Digitalization and automation have the potential to significantly improve efficiency and transparency in government processes. Electronic data management systems, online recruitment platforms, and digital service delivery mechanisms can streamline operations and make interactions with the civil service more convenient for citizens. Therefore, investing in digital infrastructure and promoting the of E-government initiatives is crucial for the future of civil service management in Lao PDR. Additionally, The government of Lao PDR is currently upgrading the current Personnel Information Management System (PIMS) to the better and more effective system by formulate the policies on HR technology and digitalization, develop the current PIMS to HRMIS which is more effective and sustainable, develop communication tools or platform that is more secured and advanced in the public sectors, synchronize all HR system of the line ministries to PIMS (HRMIS) and roll-out PIMS (HRMIS) to all public organizations nationwide.

As Lao PDR continues to integrate into the global economy, the civil service must also be prepared to meet the challenges of globalization and digitalization. This includes improving language skills, cultural understanding, ICT skill and knowledge of international best practices. By equipping civil servants with the necessary skills and competencies, they can better engage with international partners, attract foreign investment, and effectively navigate global issues.

In order to achieve these goals, collaboration and cooperation between the government, civil society, and development partners is essential. A multi-stakeholder approach can ensure that the future of civil service management in Lao PDR is inclusive, participatory, and responsive to the needs of the population. This can be achieved through regular dialogue, consultative processes, and joint initiatives. To set the future directions to enhance the civil service management in Lao PDR, the government adopted the Strategy of Civil Service Management of Lao PDR to 2030 which aims to improve the legal

framework, resilient, workforce planning and promoting diversity and inclusion, modernization and international cooperation to ensure the consistency, transparency, accountability and fairness in civil service management in the future. The nine prioritized Work Plans are defined as follow:

1. Work Plan 01: Formulation and amendment of legislation on civil service management;
2. Work Plan 02: Effective Workforce Planning;
3. Work Plan 03: Improve and develop the performance management system;
4. Work Plan 04: Improve civil service training and development system;
5. Work Plan 05: Improve civil service remuneration system and other incentives;
6. Work Plan 06: The Information communication technology (ICT) and Digitalization in civil service management;
7. Work Plan 07: Promote and provide more opportunities in developing capacity of female, ethnic and vulnerable civil servants;
8. Work Plan 08: Promotion of establishing good environment and safety for civil servants;
9. Work Plan 09: Promote the cooperation at regional and international level on civil servant matters.

These programs will be implemented in both the central and local governments throughout the country in order to improve the civil service management systems, to enhance the capacity of civil management organizations and to successfully achieve the public administration reform.

The future of civil service management holds great potential for the development and progress of the country. By ensuring transparency, professionalism, modernization and efficiency, the civil service can effectively serve the needs of its citizens and contribute to the achievement of national socio-economic development goals as well as the national agenda on economic recovery in post COVID-19 era. With the right reforms, investments, and partnerships, Lao PDR can build a modern and effective civil service that is capable of meeting the challenges of the future.

Talent Management in Malaysian Public Sector: Preparing the Workforce in a Context of Uncertainty



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ABSTRACT.....	100
INTRODUCTION	101
LITERATURE REVIEW.....	102
TALENT MANAGEMENT	102
TALENT MANAGEMENT IN MALAYSIAN PUBLIC SECTOR.....	102
TALENT DEVELOPMENT.....	104
TRAINING AND DEVELOPMENT	105
CAREER DEVELOPMENT	105
TALENT ENGAGEMENT	105
EMPLOYER BRANDING	106
ORGANISATIONAL PERFORMANCE.....	107
RESOURCE BASED THEORY	107
SOCIAL EXCHANGE THEORY	108
HYPOTHESES DEVELOPMENT	108
TRAINING AND DEVELOPMENT AND ORGANISATIONAL PERFORMANCE.....	108
CAREER DEVELOPMENT AND ORGANISATIONAL PERFORMANCE.....	109
TALENT ENGAGEMENT AND ORGANISATIONAL PERFORMANCE.....	109
EMPLOYER BRANDING AS MODERATOR.....	110
CONCEPTUAL FRAMEWORK	112
METHODOLOGY.....	112
RESEARCH DESIGN.....	112
SAMPLING	113
FINDINGS.....	113
Demography.....	113
Measurement model	113
Structural Model and Hypotheses Testing.....	115
DISCUSSION	116
RECOMMENDATION	117
MANAGERIAL IMPLICATION AND WAY FORWARD	117
CONCLUSION	118
REFERENCES	119

ABSTRACT

Public sectors around the world are increasingly adopting Talent Management practices in order to provide the public with better services and to improve organisational performance. As a result, academic research on talent management continues, and talent development is drawing attention as a new strategy to deal with problems these organisations are facing. In explaining this phenomenon, there have been also consistent calls to investigate talent engagement as well across different settings to further explore organisational performances. Therefore, this study attempts to address least explored constituents in explaining organisational performances and its influencing factors such as talent development, career development and employee engagement. A quantitative study will be conducted employing a cross-sectional survey to collect data from public sector departments in Malaysia. Structural equation modelling will be used to analyse the data. The results will be discussed in terms of evolutionary findings in the realm of theory and practice of talent development. It is envisaged that the findings will be an incremental contribution to existing literature and also of great importance to organisational behaviour scholars, human resource experts, and workplace policy regulators.

KEY WORDS: Talent Development, Training and Development, Career Development, Talent Engagement and Organisational Performance

INTRODUCTION

Talent management is seen to have created the interest of many academics and practitioners both within the public service and private sectors globally. It started off with the term 'Talent War' that was introduced by McKinsey in the late of 1990s which was popularised since then. However, in the recent two years, it has become more complicated and though there has been many research done in the perspective of talent management, yet there is still no consensus of proper definition of talent management, theoretical backgrounds and scope (Gallardo-gallardo et al., 2013).

Even though, talent management reached matured stage in Western countries, however in ASEAN countries it is still at infant stage (Yusuf Sidani & Akram Al Ariss, 2014). Knowing its growing importance, Malaysian Civil Service has started to embrace talent management strategies as many ministries started to develop their strategic planning in line with their talent management requirement. The functions of human resource planning include determining the public service roles, government service size and structure, remuneration package, pension matters, developing strategic alliances and networking. Human resource development functions include the implementation of policies, such as in organisation development, career development, succession planning, training, and management of human resource management in the public service. Human resource management functions include the process of recruitment, positioning, promotions, pensions benefit, service matters, employer-employee relationship, training, policies monitoring, and evaluation management (Public Service Department, 2020).

In the literature review, all variables will be explained including talent management (TM). TM can be described as the activities and processes that involve the systematic attraction, identification, development, engagement, retention, and deployment of those talents which are of particular value to an organisation to create strategic sustainable success (Collings & Mellahi, 2009; Gefen et al., 2000; Scullion et al., 2010). It will be followed by the development of talent management policy in Malaysia with the circulation of in-service policy on succession planning and talent development, the policy on Subject Matter Experts (SME) and the latest is the development of talent management /development in ministries and agencies. Hypotheses will then be tested as follows: Talent development and public service performance, Talent engagement and public service performance, Employer branding and public service performance, and talent engagement, talent development and public service performance moderated by employer branding.

Talent war, as coined by McKinsey (Datar, 2022) is not something new as it has been an on-going issue for the past ten years, which has drawn interest of many researchers (Thunnissen et al., 2013). In Malaysian civil service, talent management has started to be taken seriously in developing human resource and many ministries started to develop their strategic planning in line with their talent management requirement. There are two theories /approaches that will be used in the article. Resource Based View is a managerial framework used to determine the strategic resources a firm can exploit to achieve sustainable competitive advantage (Barney, 1991). The talent is the only resource which may help in gaining and maintain the competitive advantage, and therefore organisations must put a focus on attracting and maintaining the talented work force. Social Exchange theory revolves on two main dimensions: productivity expectation and mutual trust (Blau, 1968). In order to remain competitive, the talent in an organization should be developed and in order for them to remain loyal, organization must be able to reciprocate with talent needs such as career development, rewards, etc. Thus, the rationale of using these theories as there are holistic and inclusive of many concepts in talent management.

The main research objective of this study is to examine the influence of talent management practices such as training and development, career development and talent engagement on organizational performance in the Malaysian public sector, given employer branding as a moderating variable.

The sub-research objectives are as follows:

- i. To examine the relationship between training and development and organizational performance in the Malaysian public sector.
- ii. To examine the relationship between career development and organizational performance in the Malaysian public sector.

- iii. To examine the relationship between talent engagement and organizational performance in the Malaysian public sector
- iv. To examine the moderating effect of employer branding on the relationship between the training and development and organizational performance among in the Malaysian public sector.
- v. To examine the moderating effect of employer branding on the relationship between the career development and organizational performance among in the Malaysian public sector.
- vi. To examine the moderating effect of employer branding on the relationship between the talent engagement and organizational performance among in the Malaysian public sector.

LITERATURE REVIEW

TALENT MANAGEMENT

Talent management is a buzzing terminology that is becoming critically significant for an organisation to grow from the bottom line to future success. The year 1997 marks the differentiation in talent landscape, when the report by McKinsey on “global war for talent” recommended that more priority should be given to employees; because talent is the critical success factor of an organization which will determine the rise and down of a company (Nilsson & Ellström, 2012; Sa’ ari et al., 2016). Furthermore, the general idea of talent management is to identify, cultivate, develop, compensate, and retaining the employees who aid the growth of organisational sustainability. From a human resource management point of view, employees focus on hiring the best candidates, trainers look at it as practicing the best development methods and the reward experts link it with performance management (Carroll et al., 1999; Hendry & Jenkins, 1997). Apart from these benefits, the most important one is in critically analysing the linkage between the demand for talent need and the supply level of talents (Iles et al., 2010; Thunnissen et al., 2013).

Talent management disproves the old ways by emphasising the role of management to ensure that the strategic functions of human resource management, especially talent management, involves participation from each department in the organisation to establish the necessary parameters which ensure that the organisation has the right person with the right skills in the right job at the right time to attain all strategic goals (Khatri et al., 2010)(Khatri et al., 2010).

TALENT MANAGEMENT IN MALAYSIAN PUBLIC SECTOR

Talent management is crucial for the developing countries to become a developed country (Vaiman et al., 2012). Therefore, public organisations greatly emphasise on their human resource development (Tymon et al., 2010; Vaiman et al., 2012). Poocharoen and Lee (2013) conducted a comparison study of talent management practices between Malaysia, Singapore, and Thailand public services. The authors found that each country illustrates a varying degree of an exclusive strategy using the milestones of development opportunities, exposure to high-profile projects, or mentorship offered to a selected group of employees. Singapore is identified to practise the most exclusive talent management, followed by Malaysia, while Thailand is the least. In recent years, Malaysian public service has given more attention to the practice of talent management. The effort shown through the release of service circulars related to talent management practices is presented in Table 1.1.

Table 1.1: Service circular of career development in the public service

Circular	Year	Title
Service Circular No 3, 2006	2006	The Guidelines for Setting Up Search Committee, and Succession Planning Implementation Process
Service Circular No 7, 2016	2016	Career Advancement Path for Subject Matter Expert (SME) in the Federal Public Service.
Service Circular No 8, 2016	2016	Implementation of the Policy on Career Advancement Path for Fast Track Officer.

Source: Public Service Department (2020)

The Malaysian government issued Service Circular No. 3, 2006, The Guidelines for Setting Up Search Committee, and Succession Planning Implementation Process outlining the principles to establish search committee and succession planning implementation in the public sector. The importance of setting up search committee and 77 the implementation of succession planning is to ensure that only competent officers fill the strategic positions in public organisation to meet the requirement of public organisation and stakeholders. Long-term organisational goals, human capital development needs, trends and predictions in human capital management increase transparency in the recruitment and selection process, successors, and job placement as the decisions are made collectively by the designated committee. Besides, setting up search committees and implementation of succession planning is to strengthen the organisational structure of ministries and agencies, at the same time to ensure that public service is still relevant to the public and nation. The succession planning process consists of five execution stages: identification, assessment, development, implementation, effectiveness and improvement study. The first stage in the succession planning process is identification. In this process, public agencies should perform a thorough study, including determining department demographic factors such as the available promotion positions, a list of officers by grade and seniority, a relevant service plan, and the service tenure of the officers. The organisation direction is then identified, such as (i) department goals and missions, (ii) future competencies and skills required, and (iii) established talent requirements and critical roles.

During the assessment stage, ministries and agencies should strengthen the process of identifying high performers by developing a strong approach and evaluation tools, performance management and a fair selection procedure. Aside from that, the skill set belongs to the public employees should be assessed together with the comparison between skill set needed now and the skill set needed in the future. Following that, the department should be prepared to develop officers by identifying high performers and low performers, a list of critical positions, promotion and career development, an emphasis on the top potential officers, and the readiness of officers to fill the position based on the gap between officers’skills and abilities and the skillset required in the future. To develop future officers, ministries and agencies should identify the officers’educational level and provide appropriate training, mentor system, job rotation, employment experience, project execution possibilities, and opportunities for self-development.

To implement succession planning into action, the management team should identify the best method to communicate with potential candidates. The implementation of succession planning should involve selection and recruitment methods based on the skills and competencies required for the position, performance management that focuses on the competencies to fulfil the requirements of the position, training and development to fulfil the requirements and competencies required by the department, better perks, compensation, emolument and benefits. Departments should also consider potential candidates from outside the organisation. Next, to assess the effectiveness of the succession planning that has been developed and implemented, the search committee should collect data, analyse the data, and draw conclusions based on the findings to assess the effectiveness of communication of succession planning and the succession planning development implementation. The research should be conducted on a regular basis or as required.

In 2016, the Malaysian public service introduced career path development for fast-track officers and subject matter experts (SME)

to acknowledge and retain high potential officers with great leadership skills and expertise in the civil service. This initiative is aligned with the public service aspiration to provide a national leadership track in the civil service (MAMPU, 2020). The fast track and subject matter expert officers were identified through a series of leadership assessment programmes wherein the sessions and participants will be evaluated based on their thinking, leadership, and communication skills. Other requirements are language proficiency, psychometrics, and fitness test. The requirements should be met for one to be recognised as a fast-track and subject matter expert officer. There are additional requirements for subject matter experts, such as significant contributions to the organisation, academic writing, publication, conference and seminar participation. Leadership Assessment Programme (LEAP) is conducted to identify fast-track officers in the public service. The selection process for fast track in the leadership evaluation programme framework is shown in Figure 1.1.

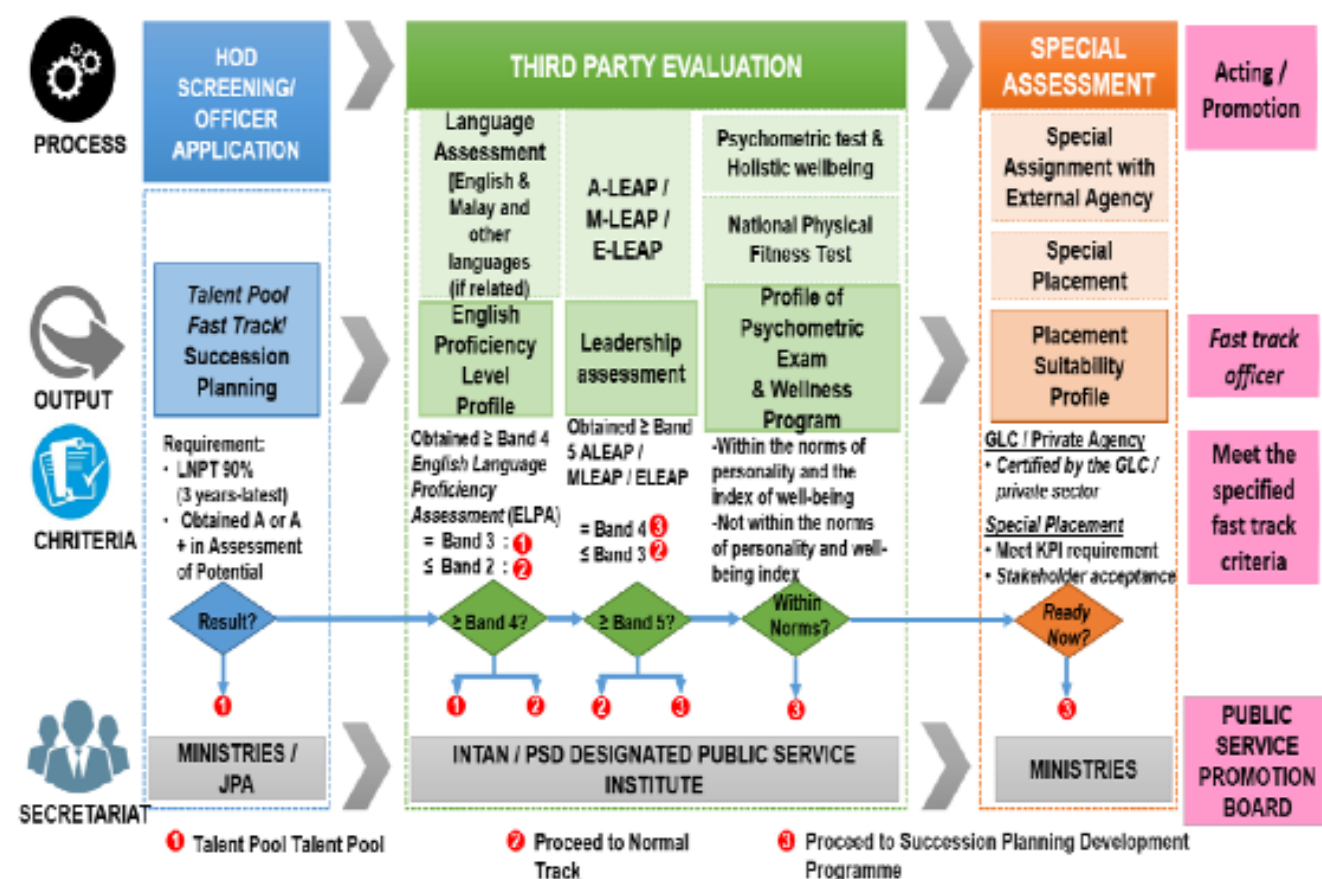


Figure 1.2: Leadership evaluation programme framework. Source: PSD Circular

TALENT DEVELOPMENT

Apart from talent retention and talent recruitment, talent development is widely acknowledged as a crucial component of talent management (Thunnissen et al., 2013). Yet in the studies on this subject, talent development has not received enough attention. Despite the paucity of prior research on this subject (Hedayati Mehdiabadi & Li, 2016), the performance of many companies in managing talent shows the significance of talent development (Garavan et al., 2012).

Garavan et al. (2012), also emphasised that the programmes that fall under talent management are primarily to cater to “zero talent outages” and to come up with a solid succession plan path rather than just talent replacement. By doing so, this method safeguards the talent pool in a company and positions them as a talent magnet. Despite the fact that there are few published studies, the importance of talent development is clearly shown in his study on both a global and local level. In addition, Kim and McLean (2012) concurred that one of the key sub-practices of talent management that requires more attention is talent development. This suggests that talent development should be researched independently rather than as a component of talent

management.

TRAINING AND DEVELOPMENT

Patrick (2000) defines training and development as efficient progress of the knowledge, proficiency, and skills that should possess by an employee to do the duties effectively. While, as per by Armstrong-Stassen (2006) training and development “is the use of systematic and planned instruction activities to promote learning”. It is vital to note that this definition refers to the formal processes of conducting training and development, and therefore it is crucial to not only provide an avenue for employees to access training to enhance their skills but also the identification of the nature and level of training which is needed. Therefore, the development, as well as knowledge dissemination, is crucial to be covered although training generally covers practical skills, the new technique or processes of implementation in the universities or other knowledge-intensive companies’ contexts. Next, Noe (2009) refers to training and development as a planned activity by organisations to aid learning on the job-related competencies, skills, knowledge, and attitudes of workers. Training and development will create progress and success through employee’s lifelong learning which boosts their motivation and shapes a positive attitude (Schmidt, 2007).

As stated by Devins and Gold (2014),

“For those not receiving training, a vicious circle arises where those who need the most training to develop, receive the least training and subsequently lose their motivation to learn as the pay and career gaps with their peer groups widen . . . and this lack of sustainable development can be devastating for individuals, localities, employers, labour markets and entire sectors of the economy”. (p. 522)

CAREER DEVELOPMENT

Career development gains its popularity through various research platforms in developing and creating career growth opportunities for employees to stay in the organisation. Career development becomes an important determinant in human development processes to manage job challenges such as retention, recruitment, training, promotion, succession planning and so on. Weng et al., (2010) expanded on career development and advancement with a suggestion that an employee organisational career growth can be attained using four factors: career goal progress, promotion speed, professional ability development, and remuneration growth. This multi-dimensional conceptualization reveals that organisational career development is a person’s effort to advance their career goals. It also dabbles around the acquisition of professional skills within the organisation and the company’s effort to carry out activities in line with that, via promotion and salary increment. Davis (2015) advocates for career development management beginning at recruitment with available career options and specific career development offerings being promoted in advertisements to attract top talent.

TALENT ENGAGEMENT

The definition of work engagement as stated by Kahn (1990, p. 694) is “the harnessing of organisation members’ selves to their work roles; in engagement, people employ and express themselves physically, cognitively and emotionally during role performances”. Work engagement has gained the attention of researchers as a relatively new construct due to its contribution in enhancing firm performance and attaining sustainable competitive advantage (Blazej, 2018). Those who are engaged in their work would work harder and would be most likely to return a result that meets the customer and the company’s needs since they have high energy and self-efficacy. It is also found that they utilize their skills when carrying out their job and find that their work is challenging and stimulating and that their work provides them with a sense of personal accomplishment.

Talent engagement is an ongoing process, and it is important to continually assess and improve your efforts. By taking the time

to engage your talent, you can create a more productive, innovative, and profitable workforce. The key differences between talent management and talent engagement:

Talent management	Talent engagement
Process of acquiring, developing, and retaining talent. It is about ensuring that the right people are in the right roles, and that they have the skills and knowledge they need to be successful.	Process of creating a culture where employees feel valued, respected, and motivated to do their best work and building relationships with employees in creating an environment where they feel like they can make a difference.

Both talent management and talent engagement are important, but they are different things. Talent management is about the big picture, while talent engagement is about the day-to-day interactions between employees and the organisation.

Here are some examples of talent engagement exercises:

- Employee surveys: Employee surveys are a great way to get feedback from employees about their engagement levels. This feedback can be used to identify areas where the organization can improve its engagement efforts.
- Town hall meetings: Town hall meetings are a great way to communicate with employees and answer their questions. They can also be used to celebrate employee achievements and recognize their contributions.
- Team-building activities: Team-building activities are a great way to foster collaboration and communication among employees. They can also help to build trust and relationships between employees.
- Lunch-and-learns: Lunch-and-learns are a great way to provide employees with opportunities for professional development. They can also be used to share information about the organization's goals and strategies.

These are just a few examples of talent engagement exercises. The best way to engage talent is to find what works for your organization and your employees.

EMPLOYER BRANDING

Employer branding is built on a resource-based strategy that acknowledges the importance of human capital to an organization's overall business operations. This serves as the cornerstone for employer branding (Gilani & Cunningham, 2017). The skill gap that has existed in the past, is still present, and will continue to exist in the future is largely due to a lack of a better understanding of the idea and its implementation (Reis, Sousa, & Dionsio, 2021). According to Wahba and Elmanadily (2015), when there is a limited talent pool, organisations would actively seek out candidates (using employer branding) rather than the reverse. In the past, a talent shortage was brought on by the concurrently low unemployment rates that have place during periods of economic boom. On the other hand, there are other possible explanations for the present skill shortage (Gilani & Cunningham, 2017). The skill gap that exists now and will continue to exist in the near future is mostly caused by two fundamental elements, namely demographic and societal developments, which are highlighted by the present information economy. The population is ageing, and society norms are changing, among other things. According to demographic data, more and more employees are approaching retirement age, and the generations who will take their place are significantly younger than the ones that they will be replacing (Reis, Sousa, & Dionsio, 2021).

The research done by Backhaus and Tikoo (2004) using SEARS as an example clearly shown how improving the employer brand enhances employees' work attitudes and customers' satisfaction, thus increasing the company's sales. Many firms make being the best employer a key component of their employer strategy (Wahba & Elmanadily, 2015; Graham & Cascio, 2018). The employees of top employers are very involved in their work and have a deeper commitment to them because they trust their employers. They will perform better as a consequence and advertise their businesses favourably (Yaqub & Khan, 2011). The relationship between bosses and employees may improve the way the company runs. Being the finest employer, providing a nice working environment and a decent humanistic atmosphere to the public, and doing so in order to attract and retain employees, is a high levels of success tool. The benefits of more efficient people management techniques are felt by the employees of branded

private organisations in India (Monteiro, Santos, Reis, Sousa, Sousa & Oliveira, 2020). These practices include well-articulated organisational policies, competitive pay, a positive work-life balance, bigger work teams, flexible scheduling, chances for jobs abroad, commendation for deeds done, and employment that is stable and can be used as a reference for future employment.

ORGANISATIONAL PERFORMANCE

There are many ways to describe organizational performance (OP). According to El-Borsaly and Hassan (2020), OP describes an organization's capacity to carry out a particular strategy. It was also considered to be the end outcome of all of the workers' efforts (Berberoglu, 2018). One of the longest-lasting management issues is OP (Pinto, 2019). According to El-Borsaly and Hassan (2020), it is evaluated using a variety of metrics, including financial performance, market performance, internal process performance, growth, and learning performance.

Public sector organisational performance is an important issue because it has a direct impact on the quality of life of citizens and businesses. Effective public sector organizations can provide high-quality services, at a reasonable cost, and be accountable to their stakeholders. This can help to improve the overall performance of the economy and society.

RESOURCE BASED THEORY

The practice of employer branding builds on the notion that human capital brings value to the organization. Furthermore, an organization's performance can be enhanced through investment in the human capital to produce skilled employees. The Resource-based view (RBV) supports this, where the typical features of an organization's resources can assist in competitive advantage (Barney, 1991). He argued that the ownership of resources that are valuable and difficult to imitate will allow an organization to grow ahead of its competitors. For example, a cutting edge facility and technology can be an advantage with highly skilled workforce to use them (Boxall, 1998).

Southwest Airlines is an organization that had created an element that competitors find difficult to emulate. The organization creates an excellent workplace culture (Stamler, 2001). This distinctive, even unique workforce, however, can be a source of competition only if it is stable. If the source of competitive advantage is not sustainable, neither is the advantage (Barney, 1991). They sustain their advantage by strengthening the quality of employment and contributing to employee readiness to stay with the organization by using their brand.

The psychological contract theory provides a second foundation for employer branding. The notion is the effect on the employee-organizational relationship. In previous studies, the concept of the psychological contract was discussed as employees pledged loyalty to the organization in return for job security (Hendry & Jenkins, 1997). However, the contemporary trend towards downsizing, outsourcing, and flexibility on the part of the employer has forced a new kind of psychological contract. It means employers provide employees with marketable skills through training and development in return for determination and flexibility (Baruch, 2004). Some organizations use employer branding to advertise the benefits they still offer, including training, career opportunities, personal growth and development.

The concept of brand equity complements the theoretical part of understanding employer branding. Brand equity is "a set of brand assets and liabilities linked to a brand that adds to or minus from the value provided by a product or service to an organization and to that organization's customers" (Aaker, 1991). Customer-based brand equity relates to the effect of brand knowledge on consumer response to product marketing. Regarding employer branding, brand equity applies to the effect of brand knowledge on potential and existing employees of the organization to stay with and support the company.

Employer brand equity is the desired result of employer branding activities. In other words, potential or existing employees will react differently to similar recruitment, selection, and retention efforts from different organizations because of the underlying employer brand equity associated with these organizations. "Pret A Manger", a specialty fast food company based in UK, conducted a campaign that has produced strong employer brand equity. The company was able to come out with an employer brand package with the intention to introduce the concept of "passion" for food for customers and workers. "Pret A Manger's"

campaign influenced the rate of applications received and the increment of employees' retention (O' Halloran, 2003).

SOCIAL EXCHANGE THEORY

The Social Exchange Theory has been widely used in explaining an organisation member's relationship. This theory relates to the understanding of workplace behaviour and the way employees and employers interact with one another (Biron & Boon, 2013; Cropanzano & Mitchell, 2005; Smith, 2005). A knowledgeable and skillful worker's intention to whether remain or leave an organization can be explained by the Human Capital Theory (Becker, 1962) and the Social Exchange Theory (Blau, 1964; Homans, 1958). These two theories complement each other. The Human Capital Theory has been utilized in many studies researching the connections between Human Resource Management (HRM) practices and key organizational outcomes. This theory postulates that a decision to invest resources is impacted by economic incentives and costs versus benefits comparison. For example, from an organization's point of view, skills can either be acquired or developed. Therefore, an organization will only invest in training if they ascertain that the advantage is higher than acquisition (Youndt, Snell, Dean & Lepak, 1996).

For better understanding on the links between talent management and talent engagement, it is necessary to use a theory based on a two-dimensional exchange process. The Social Exchange Theory can provide a big contribution (Homans, 1958). Like the Human Capital Theory, the Social Exchange Theory is based on a cost-benefit analysis and the evaluation of options. However, it shows that there is a two-way connection between the organization and its employees. The idea of social exchange (see Blau, 1964; Homans, 1958) broadens the exchange concept between an organization and its employees established by Becker (1962). While the Human Capital Theory considers the employee and the organization as two actors operated by the external market, the Social Exchange Theory, in contrast, perceives the employee and his/her employer as part of a broader context and is more dynamic internally. Social exchange revolves on two main dimensions: productivity expectation and mutual trust.

Under the Social Exchange Theory, the organisation and its human resources are intertwined in a voluntary action, driven by the anticipation of productivity but each party expects more. Thus, on the one hand, the organization seeks to retain an expert because he/she represents human capital, from whom a return on investment is expected. The form of return investment could be forthcoming profit, the creation of knowledge that is useful, technological innovations, products or processes, an increase in their customer portfolio, customer satisfaction and increase in sales. If this expectation is not achieved, the organization may not retain this particular expert.

However, the expert invests in the organisation by being focused at work and portraying loyalty. The expert expects immediate or deferred monetary and non-monetary recognition in return for his or her efforts. If the expert's expectations are not met, this individual may reduce his or her loyalty to the exchange by finding other jobs or have less job involvement (loss of interest). In short, organizations must ensure that they consolidate social exchange in order to thwart the volatility of experts.

Furthermore, social exchange is based on the norm of reciprocity (Gouldner, 1960). According to this norm, when an organization treats an employee in a positive way, the employee in return feels the need to treat the organization in a similar way (e.g. by deciding to invest more effort in the job). This exercise could result in additional recognition by the organisation which, in turn, could renew the employee's desire to give back. In the case of experts, this implies that an organization which treats this category of workers well will create in them a desire to return the same treatment, which will lead to higher commitment and consequently, increased employee retention (Eisenberger, Armeli, Rexwinkel, Lynch, & Rhoades, 2001).

HYPOTHESES DEVELOPMENT

TRAINING AND DEVELOPMENT AND ORGANISATIONAL PERFORMANCE

Continuous implementation of training and development practices is essential, where organizations are encouraged to have new procedures to achieve their tasks, provide new technologies, and have up-to-date skills and knowledge. These can be used to assess the ability of an organization to adapt in a changing environment, to have a sustainable competitive advantage, and to successfully compete with other rivals (AlQershi et al., 2022). For this purpose, organisations should first identify employees who have deficiencies in qualifications and then, identify the level and time needed to execute the process of learning and development. Owing to the distinct traits that exist within each generation, Phillips and Roper (2009) suggested that strategies formulation should be tailored specifically for each generation in order to engage them. This corroborates the position of Gostick and Elton, who stated that employees will remain in a firm where there is a "quality relationship with his or her manager", "an opportunity for personal growth and professional development", "work-life balance", "a feeling of making a difference; meaningful work", and "adequate training".

Training and development are considered to be the basis of organizational success, in which improving performance is said to be difficult without learning, the objective of which is to decrease leadership deficiencies at the higher levels. According to Phillips and Roper (2009), employees at all job levels appreciate learning; but there is an indication that the employees of small companies appreciate learning more than those in large firms, and those people that work above 50 hours per week exhibit above-average preference for learning. Wagner and Harter (2006) concluded in their study that "it's better for an organization over the long haul to have employees trained and have supervisors and mentors dedicated to talking to employees about their performance". Tracy Bowers thus suggested the development of "multi-generational teams" (Phillips & Roper, 2009). Tracy stated further that "we have found the older generation enjoys working with the younger ones. The younger ones bring the energy, and the younger generation likes to work with experienced older generation" (Phillips & Roper, 2009). The research undertaken by Myrvang (2022) and Purwanti and Octavia (2023) proposed that talent development has a positive impact on organizational performance. It also has a positive effect in sustaining the organizational competitive advantage Kaleem (2019). Considering the above, the following hypothesis was proposed:

Hypothesis 1 (H1). Training and development will positively influence organisational performance.

CAREER DEVELOPMENT AND ORGANISATIONAL PERFORMANCE

Career development involves collecting information illustrating the "interests, norms, strengths and weaknesses of a skill, indicating career objectives, and integrating in career strategies that aim at increasing the prospect of career goals to be attained" (Lei Wang & Ying Chen, 2022). Career development consists of formal and informal activities, such as job rotation, employee seminars, and career development, as well as providing practices for self-improvement (Lyria et al., 2017). The study conducted by Lyria et al., (2017) about career development concluded that there exists a positive effect of career management on increasing both organizational performance and employee commitment. Furthermore, the findings of the study undertaken by Lyria et al. (2017) highlighted the significant relationship between career management and organizational performance in companies operating in Nairobi. Considering the above arguments, Hypothesis 2 (H2) was proposed:

Hypothesis 2 (H2). Career development will positively influence organisational performance.

TALENT ENGAGEMENT AND ORGANISATIONAL PERFORMANCE

Talent engagement is the degree to which employees are actively involved in and enthusiastic about their work and their organization. It is a key factor in organizational performance, as engaged employees are more likely to be productive, creative, and innovative (Kravariti et al., 2023). They are also more likely to stay with their organizations, which can save businesses money on recruitment and training costs.

There is a significant body of research that supports the link between talent engagement and organizational performance. For example, a study by Gallup found that engaged employees are 21% more productive than disengaged employees. They are also more likely to have higher customer satisfaction ratings and lower turnover rates. The impact of talent engagement on organizational performance can be seen in a number of areas, including:

Engaged employees are more likely to be productive and efficient in their work. They are also more likely to go the extra mile and take on new challenges; They are also more likely to share their ideas with others and help to drive innovation within the organization.; In terms of customer satisfaction, engaged employees are more likely to provide excellent customer service. They are also more likely to be knowledgeable about the organization's products or services and be able to answer customer questions effectively. Overall, talent engagement is a key factor in organizational performance. By creating a workplace where employees are engaged and motivated, organizations can improve their productivity, innovation, customer satisfaction, and bottom line (Kravariti et al., 2023). Considering the above arguments, Hypothesis 3 (H3) was proposed:

Hypothesis 3(H3). Talent engagement will positively influence organisational performance.

EMPLOYER BRANDING AS MODERATOR

i. Training and development, employer branding and organisational performance

Employer branding is the process of creating a positive image of an organization as an employer. It includes factors such as the organization's reputation, its values, and its commitment to employee development. Training and development are the process of providing employees with the skills and knowledge they need to perform their jobs effectively. It can include formal training programs, on-the-job training, and mentoring. When employees have a positive perception of their employer, they are more likely to be engaged in their work and to stay with the organization. This can lead to increased productivity, innovation, and customer satisfaction.

Training and development can also help to improve employee engagement and retention. When employees are given opportunities to learn new skills and develop their careers, they are more likely to feel valued and appreciated. This can lead to increased job satisfaction and a lower turnover rate. In addition, training and development can help to improve organizational performance by increasing employee productivity, improving employee morale, reducing employee turnover, enhancing employee skills and knowledge, promoting innovation and creativity and Improving customer service. The effect of training and development on organizational performance can be moderated by employer branding. When employees have a positive perception of their employer, they are more likely to be motivated to participate in training and development programs. They are also more likely to see the value of training and development and to believe that it will help them to improve their skills and knowledge.

As a result, organisations with strong employer branding are more likely to see a positive return on their investment in training and development. The training and development programs will be more effective in improving employee skills and knowledge, which will lead to increased productivity, innovation, and customer satisfaction. This, in turn, will lead to improved organisational performance.

An organisation with a strong employer brand is more likely to attract and retain top talent. This means that the organization will have a workforce that is more skilled and knowledgeable, which can lead to increased productivity. An organization with a strong employer brand is more likely to have a positive work environment. This means that employees are more likely to be engaged in their work and to be motivated to learn new skills. This can lead to increased innovation and creativity. An organization with a strong employer brand is more likely to be customer-focused. This means that employees are more likely to be motivated to provide excellent customer service. This can lead to increased customer satisfaction. Overall, employer branding

can play a significant role in moderating the effect of training and development on organizational performance. By creating a positive image of the organization as an employer, organizations can attract and retain top talent, create a positive work environment, and promote customer focus. These factors can all contribute to increased productivity, innovation, and customer satisfaction, which can lead to improved organizational performance. Considering the above arguments, Hypothesis 4 (H4) was proposed:

Hypothesis 4 (H4): Employer branding moderated the relationship of talent development and organisational performance.

ii. Career development, employer branding and organisational performance

When employees have a positive perception of their employer, they are more likely to be engaged in their work and to stay with the organization. This can lead to increased productivity, innovation, and customer satisfaction.

Career growth can also help to improve employee engagement and retention. When employees are given opportunities to advance their careers, they are more likely to feel valued and appreciated. This can lead to increased job satisfaction and a lower turnover rate. In addition, career growth can help to improve organizational performance by Increasing employee productivity, improving employee morale, reducing employee turnover, enhancing employee skills and knowledge, promoting innovation and creativity and improving customer service. The effect of career growth on organizational performance can be moderated by employer branding. When employees have a positive perception of their employer, they are more likely to be motivated to seek out career growth opportunities. They are also more likely to see the value of career growth and to believe that it will help them to achieve their personal and professional goals.

As a result, organizations with strong employer branding are more likely to see a positive return on their investment in career growth opportunities. The career growth opportunities will be more effective in motivating employees and in helping them to achieve their goals. This, in turn, will lead to improved organizational performance.

Here are some examples of how employer branding can moderate the effect of career growth on organizational performance: An organization with a strong employer brand is more likely to attract and retain top talent. This means that the organization will have a workforce that is more motivated to seek out career growth opportunities. An organization with a strong employer brand is more likely to have a positive work environment. This means that employees are more likely to be engaged in their work and to be motivated to achieve their goals. Considering the above arguments, Hypothesis 5 (H5) was proposed:

Hypothesis 5 (H5): Employer branding moderated the relationship of career development and organizational performance.

iii. Talent engagement, employer branding and organisational performance

The effect of talent engagement on organizational performance can be moderated by employer branding. When employees have a positive perception of their employer, they are more likely to be motivated to stay engaged in their work. They are also more likely to see the value of talent engagement and to believe that it will help them to achieve their personal and professional goals.

As a result, organizations with strong employer branding are more likely to see a positive return on their investment in talent engagement initiatives. The talent engagement initiatives will be more effective in motivating employees and in helping them to achieve their goals. This, in turn, will lead to improved organizational performance.

- An organization with a strong employer brand is more likely to attract and retain top talent. This means that the

organization will have a workforce that is more engaged in their work.

- An organization with a strong employer brand is more likely to have a positive work environment. This means that employees are more likely to be engaged in their work and to be motivated to achieve their goals.
- An organization with a strong employer brand is more likely to be customer-focused. This means that employees are more likely to be engaged in their work and to be motivated to provide excellent customer service.

Overall, employer branding can play a significant role in moderating the effect of talent engagement on organizational performance. By creating a positive image of the organization as an employer, organizations can attract and retain top talent, create a positive work environment, and promote customer focus. These factors can all contribute to increased productivity, innovation, and customer satisfaction, which can lead to improved organizational performance. Considering the above arguments, Hypothesis 6 (H6) was proposed:

Hypothesis 6 (H6): Employer branding moderated the relationship of talent engagement and organisational performance.

CONCEPTUAL FRAMEWORK

The conceptual framework of the study is shown in Figure 1. There will be three independent variables which are training and development, career development and talent engagement and one dependent variable namely intention to stay. This relationship is further moderated by employer branding.

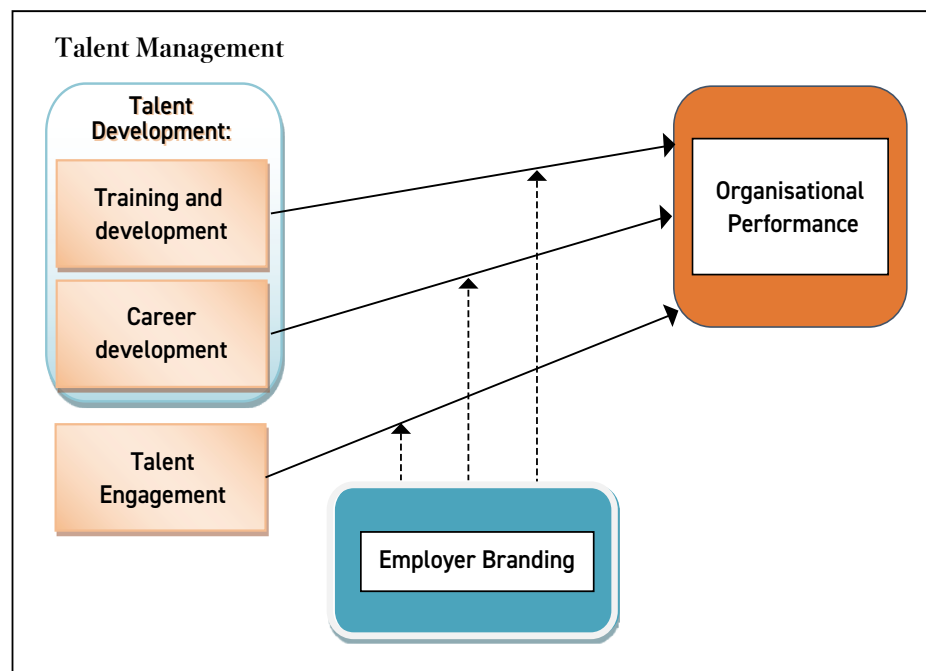


Figure 1.2: The Conceptual Framework (authors' model) with adjustment from Thunnissen et al., (2013).

METHODOLOGY

RESEARCH DESIGN

A quantitative approach using self-administered questionnaire was adopted. All key variables were measured by multiple statements, as this would afford greater degrees of freedom when partitioning the data into groups. It would also allow for adjustment of measurement error, thus increasing their reliability and predictive validity (Hair et al., 2014). Statements were also organized in sections without randomization based on the common objectives and contexts of the statements (Burns and Bush, 2005). A post hoc Harman single-factor analysis was also performed after data collection to ensure the variance in the data was not explained by one single factor, thus addressing the common method bias (Chang et al., 2010; Podsakoff et al., 2003). Except for demographic information, a five-point Likert scale where 1 indicating strongly disagree to 5 indicating strongly agree was adopted to measure the statements. Besides, a pretest was also conducted using the target respondents to

finalize the usability of the questionnaire (Hunt et al., 1982).

SAMPLING

Purposive sampling technique was adopted to distribute questionnaire to civil servants of Malaysia with grades 41 and above (management and professionals). In all, 1,000 copies were distributed, and 561 completed and usable copies were collected in two weeks in June 2023, indicating that non-response bias was not a major issue. The data were then keyed in into SPSS and imported to Smart PLS to perform latent variable analysis (Ringle et al., 2015). The latter software utilizes structural equation modelling of partial least squares (PLS-SEM) approach to enhance predictive relevance by maximizing the variance of key target variables by different explanatory variables (Hair et al., 2014; Henseler et al., 2009).

FINDINGS

Demography

Most of the respondents were aged between 40 to 54 (56.4%, n = 316), which is expected for a work and study sample. At an age between 40-54, respondents were said to be more enthusiastic about meaningful careers. There are slightly more males (50.4%, n = 282) than females in the sample. As for the race distribution, most of the respondents were Malays (81.4%, n = 456), followed by Others (4.1%, n = 41) and Malaysian-Chinese (6.1%, n = 34). In view that the sample were skewed towards matured workers (40-54 years of age), it was not surprising that most of them were matured in service (11 – 25 years (75.1%, n = 415), all demographics variables were included as control variables in the analyses (Table 4).

Measurement model

Before assessing structural models, it is vital to ensure that there are no full collinearity issues in the model. According to Kock and Lynn (2012), even if the criteria of discriminant validity (vertical collinearity) is met, lateral collinearity issues (e.g. predictor-criterion collinearity) may sometimes subtly mislead the findings as it is capable of weakening the strong causal effects demonstrated in the model. Table 2 presents the outcome of the full collinearity test. The VIF scores for each individual construct were below the threshold value of 5 (Hair, Ringle, & Sarstedt, 2011), thus implying that there are no issues on collinearity (Kock & Lynn, 2012) and common method bias in this study (Kock, 2015).

Table 3: VIF scores

COLLINEARITY STATS (VIF) INNER MODEL	
CG -> OP	3.48
EB -> OP	3.059
TD -> OP	2.609
TE -> OP	2.9
EB x TE -> OP	2.855
EB x CG -> OP	5.535
EB x TD -> OP	4.338

In order to assess the moderating effect of a construct in PLS-SEM, interaction terms between the moderator and the predicting variables were created using the product indicator approach suggested in Chin et al. (2003), to examine its effect on the endogenous variable. Table 5 and Figure 2 reports the moderating effect of employer branding on the relationship of talent development, career development and talent engagement. The results indicate that three hypothesised moderation effects of employer branding were supported (H4 to H6). Specifically, the results indicated six significant interaction terms – – Talent

Development*EB ($\beta = .007$, t-value = 2.906, $p < .01$), Career Development*EB ($\beta = -.194$, t-value = - 2.156, $p < .05$), and Talent Engagement*Grade ($\beta = -.175$, t-value = 1.923, $p < .05$).

Items	N	%
Gender		
Female	278	49.6%
Male	282	50.4%
Age		
25 years old and below	2	0.4%
26 to 39 years old	224	40.0%
40 to 54 years old	316	56.4%
55 years old and above	18	3.2%
Education level		
PhD	22	3.9%
Master Degree	186	33.2%
Bachelor Degree	320	57.1%
Diploma	18	3.3%
Certificate	1	0.6%
SPM/STPM	11	2.0%
Ethnicity		
Chinese	34	6.1%
Indian	29	5.2%
Malay	456	81.4%
Others	41	7.3%
Service Grade		
Junior Manager/ Officer (41 - 44)	299	53.4%
Middle Manager/ Officer (48 - 52)	197	35.2%
Senior Officer (54 - 56)	35	6.3%
Support staff 1 (11 - 22)	13	2.3%
Support staff 2 (24 - 40)	15	2.7%
Top level Officer (JUSA and above)	1	0.2%
Total Service Years in the public service		
11 - 15 years	172	30.7%
16 - 20 years	136	24.3%
6 - 10 years	82	14.6%
5 years and below	63	11.3%
More than 20 years	107	19.1%

Table 2: Assessment of Measurement Model on Loading, CR and AVE

Items	Loading	CA	CR	AVE
CG1	0.75	0.86	0.864	0.552
CG2	0.744			
CG3	0.802			
CG4	0.863			
CG5	0.84			
EB1	0.807	0.916	0.928	0.506
EB10	0.833			
EB11	0.766			
EB2	0.797			
EB3	0.547			
EB4	0.737			
EB5	0.822			
EB6	0.753			
EB7	0.537			
EB8	0.759			
EB9	0.731	0.861	0.878	0.572
OP1	0.595			
OP2	0.872			
OP3	0.89			
OP4	0.86			
OP5	0.785	0.854	0.872	0.513
TD1	0.854			
TD2	0.846			
TD3	0.508			
TD4	0.806			
TD5	0.752			
TD6	0.784	0.834	0.858	0.56
TE2	0.716			
TE3	0.858			
TE4	0.841			
TE5	0.839			

Note: Item TE1 was deleted due to low loading.

Structural Model and Hypotheses Testing

After validation of the measurement model, path analysis was performed to test the proposed hypotheses in this study. In line with the suggestion by Hair Jr et al. (2017), this study reported the inner VIF values, the path-coefficient results, coefficient of determination (R^2), effect sizes (f^2), predictive relevance of both Q2 and PLS predict. Subsequently, the bootstrapping method with a resampling of 5000 was used to estimate the significance of the path coefficient (Streukens and Leroi-Werelds 2016). Table 6 results showed that TD has a significant relationship with OP ($\beta = 0.095$, $t = 1.272$, $p > 0.05$, $f^2 = 0.011$), which support H1. CD was found to have a significant positive relationship with OP ($\beta = 0.462$, $t = 8.569$, $p < 0.01$, $f^2 = 0.253$) and TE was found to have a significant positive relationship with OP ($\beta = 0.331$, $t = 4.502$, $p < 0.01$, $f^2 = 0.123$).

Table 6: The Relationship of Dependent and Independent Variable, with Moderators

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values	Decision
CD -> OP	0.106	0.106	0.061	1.733	p<.05	Supported
EB -> OP	0.528	0.523	0.065	8.073	p<.01	Supported
TD -> CD	0.767	0.768	0.024	32.247	p<.01	Supported
TE -> OP	0.019	0.022	0.053	0.354	p <.05	Supported
EB x TD -> OP	0.007	0.005	0.05	0.146	p<.01	Supported
EB x CD -> OP	0.115	0.11	0.057	1.997	p <.05	Supported
EB x TE -> OP	-0.066	-0.06	0.05	1.312	p<.01	Supported

Note: **p <.01, *p <.05

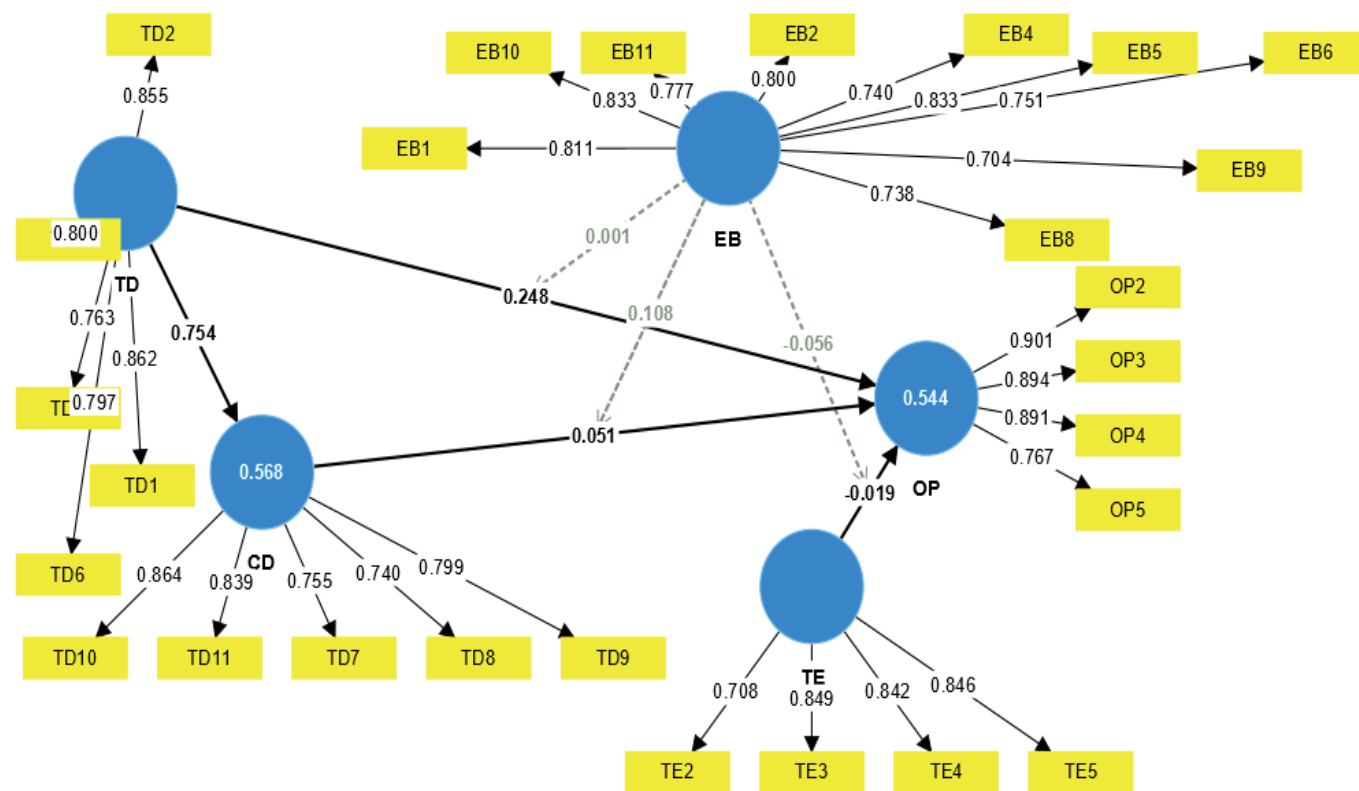


Figure 3: Structural model for the relationship of talent management (training and development, career development and talent engagement) and organizational performance.

DISCUSSION

Talent management issues have begun to appear in many areas of our lives (political, economic, business, social and even sport), with increased interest in its effects through human capital on the sustainability of performance through the application of a wide range of styles. Despite the pivotal role of talent in contributing to high performance, only a limited number of organizations and nations are fully aware of the basic mechanisms through which talent management affects the delivery

of a unique performance. The traditional role of human resources management is beginning to wane, replaced by a new version which incorporates human talent management. Through human talents, management is looking to reserve a major seat at the strategic planning table to achieve competitive advantage, and to provide the necessary learning and knowledge for practitioners in today's world. Thus, the gradual emergence of human talent management over recent decades has reformulated the relationship between human factors and management. Our work provides insights into talent management mindset and strategy, a unique contribution to the management field, where a research gap exists in the context of the public sector worldwide.

In addition to the talent management literature, our work contributes to the literature of public sector organizational performance by focusing on what talent initiatives have been taken in a hospital setting to improve sustainable performance, a relatively unexplored area in a health sector and especially in Southeast Asia including Malaysia. Our model results show a direct effect of on CD and OP ($b = 0.115, t = 1.997, p < 0.01$) ($b = 0.106, t = 1.733, p < 0.05$), respectively, and this result is in line with resource based theory (Collings, 2014; Collings and Mellahi, 2013), which explains that talent is the secret of success, and all employees must be treated as having talents; it is necessary to know the real talents of staff and to refine and develop their skills (Eisenberger et al., 1986), leading to sustainability performance (Al Aina and Atan, 2020).

The moderating effect in the relationship between Organisational Performance and Talent Development, Employer Branding and Career Development; and Employer Branding with Talent engagement that H6 is supported. As talent management has become the backbone of organization, they should make the most of their unique human capital, nevertheless, while existing resources include talent, the continual economy changes will threaten future economic growth and business performance unless they change their strategies to meet the future challenges Malaysian hospital managers need to pay more attention and interest to TM by utilising human capital in line with the current scientific revolution, and the move from the industrial economy to the knowledge economy.

RECOMMENDATION

MANAGERIAL IMPLICATION AND WAY FORWARD

There are several ideas by which concerned by talents in Malaysian Public Sector. Amongst others are to focus on wish list officer and develop talent through proper planning and placement. As for now, there is no proper development program or roadmap for officers to develop themselves before and after going to the LEAPs assessment to close the TLSA (Think, Learn, Speak, Act) gap. Superiors to pick talent bench strength rather than assigned. The placement of personnel in the organisation should match with their background and area of expertise (put the right people at the right place). Talent development is less focused in the management planning though it is very important in the succession planning and also way forward of an organisation. Employee should be empowered and provided with proper training in order to develop niche technical skill and knowledge.

Grooming candidates for top-level posts is a must, as well as the organisation also need implement a systematic Succession Plan'to provide cladding to officers of strategic positions who are retiring or promoted. What kind of talent that management need to identify before planning for development in public sector is crucial for assessment. Public sector promotion is limited and subject to post availability. Thus, an organization need to have clear direction for talent management and development.

Skills needed for leadership talent not only in learning classes but also through practical, interactive and experience learning. For example, job rotation for all types of work to expose all types of work, training and individual mentoring for guidance, support and knowledge sharing, group coaching and strong networking. In addition to that, action-based learning is also vital to face real projects or issues (short or long term) and do some reflection. Simulation, whereby a leader is able to learn skills and emulate the competencies as if in the real projects and to increase digitalization, they are able to do e-learning by which they can choose their own flexible time and learning pace accordingly. A leader should take responsibility and play important role to actually develop new competency for themselves and organization and adjust the environment for a better learning environment.

A clearer career path and skills required will be useful for employee to get required training. This will also improve employee motivation. It is crucial to manage our talent to increase productivity of our daily routine work. To increase organisational performance, it will need a charismatic, capable leader with a vision and goal. The leader will then have to shape the internal talent development and continuous knowledge transfer to ensure a sustainable talent workforce. In the public sector, most employees are treated based on position grades, which to be abolished. Most people have job security, but less job satisfaction due to stagnant career growth in the organisation, but rather had no choice but to stay due to permanent position.

Talent Management is a key to keeping our organization moving ever closer to its goals. More branding empowerment specifically in maritime/marine unit sector, as I am very high performer in terms of law in maritime, international maritime, connection with international maritime agencies, as along together with operational progress of enforcement in territorial water. Need career development to enhance and speed up development in marine customs unit. Perhaps there is more opportunity for all government staff to explore knowledge from variable angle, so they become wiser and more knowledgeable.

Organization branding is very important to increase the moral and working culture of the staff. Talent management in the public service is very important to ensure that the achievements of employees in various sectors are appreciated and considered. As a future leader of my organisation, an employee should wish to learn more about talent management and creating a positive employer branding that resonates well with employees and their work ethics. Other than that, training should be improved to develop expert in the future for public sector.

The officers will pursue the same motivation and performance in working/talent engagement when we communicate well hence develop a strategic networking. Officers should be placed in the right working place based on their expertise and qualification of Malaysian government servant especially professionals such as doctors, accountants, engineers and many more, should be given more opportunities to join international events in order to keep abreast with the development related to their professions. To sum up, training and development should be provided frequently especially to the top brass of the organisation (ministry) as they are the one with actual authority to decide on matters such as policies, directions and objectives.

CONCLUSION

Talent Management is a natural evolution of HR. It is a series of business processes and not a “product” or “solution” that one could buy. Organizations we speak to are focused on different elements and driven by their maturity and the urgent business problems they face today. While a few mature organizations have dealt with most of the processes above, most organizations focus on several of the key elements and build an integrated approach over time.

Additionally, Talent Management is a “forward-looking” function. Not only should talent management improve the organization’s flexibility and performance, it will give the information and tools to plan for growth, change, acquisitions, and critical new product and service initiatives which in line with our Malaysian Public Sector’s Transformational Plan. The findings can form the basis for useful recommendations for Malaysian managers in encouraging the practice of human resource management and for employees who are concerned with maintaining their competitive advantage for long-term organisational success.

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Leadership Development in the Singapore Public Sector: Evolution towards Citizen- Centric and Future-Ready Public Service Leaders



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Abstract	124
Table and Figure.....	125
Introduction	126
The Singapore Public Service.....	126
Reform of the Singapore Public Service: From Silo Pragmatism to Whole-of Government Citizen-Centricity	128
Early Days of Independence: Elite-Centric and Expertise-based Policy Making	128
Increasing Levels of Innovation and Change to Promote Economic Growth and Productivity through Whole-of-Government Approach	129
Shift to Policy Advocacy through Public Consultation and Engagement.....	131
Talent Management Strategies to Attract, Develop and Retain the Best and Brightest Public Service Leaders.....	131
Leadership as the Key to Successful Reforms and Public Sector Transformation.....	132
Pre-service Scholarship Scheme.....	132
Administrative Service (AS)	133
Public Service Leadership Programme (PSLP)	135
Mid-Career Leaders Track (MCLT)	135
Digital Ready Public Service in a Smart Nation	136
Shifting towards Collective Skills and Competency-based Leadership Development in the Post Pandemic Era	137
Conclusion	138
References	139

ABSTRACT

The success of Singapore lies largely in its efficient and effective public sector which had formulated policies that spurred economic growth and improved standards of living and public services over the past 58 years. Singapore has undergone a remarkable transformation through a combination of strong public service leadership, good governance and pragmatic policies. To stay ahead and remain relevant in the operating milieu, the public sector must ensure effective talent management strategy and consider leadership developments for the competent employees with most potential for succession planning. Successful talent management and leadership development is achieved by balancing knowledge-exchange, action, reflection and alignment. For the public service to be staffed by the best talented leaders, the Singapore government has intervened by establishing a variety of talent programmes or schemes. These leadership development schemes targeted at selected individuals being identified at an early stage of their career and are developed further through scholarships, trainings, job rotations, mentorships, projects etc. to become future leaders. This chapter examines how over the years, as the Singapore public service embarked on reforms at different stages of the country's development, these schemes have also adjusted and refined, gradually shifting away from an exclusive qualifications-based approach to a more inclusive skills-based approach, especially towards attracting mid-career switchers with diverse experiences outside the service to be groomed as leaders.

Keywords: Public Sector, Leadership Development, Singapore, Citizen-centric, Future-ready

Table and Figure

Tables

1: Ministries and their respective statutory boards.....	127
2: Six key sectors of the Singapore Public Service and the scope.....	135
3: Talent schemes targeting different levels for digital transformation in the government.....	136

Figure

1: Range of learning experiences to support the development of AOs.....	134
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Introduction

The success of Singapore lies largely in its efficient and effective public sector which had formulated policies that spurred economic growth and improved standards of living and public services over the past 50-plus years. Singapore premised its rapid transformation from a third-world country post-independence to a developed country largely to the state's intervention to the performance of the economy and the well-being of the citizens (Tan, 2015).

The COVID-19 pandemic that has crippled the whole world is one good reminder that a responsive government that have a diverse pool of talents is critical to quickly to come out with policies and initiatives to contain the pandemic and revive the affected social and economy aspects (Liu, Lee & Lee., 2020; Liu, Lee & Goh, 2023). Singapore was a successful example that managed to contain the pandemic and revive its ailing economy after a short setback that led to partial lockdown for about 2 months. Its rapid and progressive responses in accordance with the fast evolving situation, was achieved through a coordinated Whole of government approach and a cocktail of digital solutions that augment government's efforts (Lee, 2020; Lee, Lee & Liu, 2021).

The aspirations of citizens will evolve to contend with the rapidly changing global post-COVID environment. The new millennium marks a new era, in which the employment landscape is filled with the new generation that has gradually shifted from academic pursuers to employees, and, eventually, main players of the job market. This will require public services to focus on more inclusive talent management approaches and leadership development at all levels across their organisations, not just on specific individuals or groups. Given, the increasing emphasis on community empowerment, it will be vital that those working in the front-line are developed, supported and empowered to work in different ways to support individuals and communities that they are serving. It will also require public services to work with and resource individuals and communities to develop and contribute their capacity and talents to achieving better outcomes. All these post-NPM approach to governance and delivery of public services entails more group effort and cooperation.

The Singapore public sector has always been taking a more exclusive approach to talent management and leadership development of a selected group of individuals, i.e., scholars who are strong academically which aligns with its meritocratic principles. It is noted that in the recent years, there has been a shift from its elitist approach towards a more inclusive approach that recognises the potential of in-service individuals as well as other mid-career candidates from other sectors. This indeed signifies in the war for talent whereby the public sector is not the "preferred employer of the day" to attract the millennials, that the Singapore government need to shift away from its bureaucratic roots inherited from the colonisation and consider talent management within the context of the current reform landscape. The context which requires an increased focus on tackling inequalities, increased integration, increased collaboration, shared leadership, effective approaches to joint resourcing and community empowerment especially towards resolving immediate and challenging issues. All these will require new skills and attributes of talents they require across their organisations to deliver against the ambitions of the reform agenda and to improve the lives of the communities they serve, as well as to identify the skills gaps and how they will address these. In line with the Smart Nation vision to harness technology to effect transformation in health, transport, urban living, government services and businesses, it is also imperative for the public service to build strategic capabilities in data and digitalisation to work and engage with citizens in a digital era, and re-engineering it to be more data-driven in all aspects.

The Singapore Public Service

Currently, the Singapore Public Service employs about 150,000 public officers working in 16 Ministries and more than 50 Statutory Boards (see Table 1). Within the Public Service is the Civil Service, comprising about 86,000 officers working in the Ministries. They work in various schemes of service, including the Administrative Service, legal, education, police, civil defence and accounting schemes (Careers@Gov, 2023). Although the Statutory boards are under the purview of the respective ministries,

but they have more autonomy to decide their own recruitment and human resource management practices as they are legally distinct employers from the Civil Service.

Ministry	Statutory Board
Ministry of Communications and Information (MCI)	<ul style="list-style-type: none"> • Info-communications Media Developments Authority • National Library Board
Ministry of Culture, Community and Youth (MCCY)	<ul style="list-style-type: none"> • Majlis Ugama Islam Singapura • National Heritage Board • Sport Singapore • National Arts Council • People's Association
Ministry of Defence (MINDEF)	<ul style="list-style-type: none"> • Defence Science and Technology Agency
Ministry of Education (MOE)	<ul style="list-style-type: none"> • SkillsFuture Singapore • Ngee Ann Polytechnic • Singapore Polytechnic • Nanyang Polytechnic • Temasek Polytechnic • Republic Polytechnic • ISEAS-Yusof Ishak Institute • Science Centre Board • Institute of Technical Education • Singapore Examinations and Assessments Board
Ministry of Finance (MOF)	<ul style="list-style-type: none"> • Inland Revenue Authority of Singapore • Accounting and Corporate Regulatory Authority • Tote Board
Ministry of Foreign Affairs (MFA)	
Ministry of Health (MOH)	<ul style="list-style-type: none"> • Health Promotion Board • Singapore Dental Council • Health Science Authority • Singapore Medical Council • Singapore Nursing Board • Singapore Pharmacy Council • Traditional Chinese Medicine Practitioners Board
Ministry of Home Affairs (MHA)	<ul style="list-style-type: none"> • Home Team Science and Technology Agency • Yellow Ribbon Singapore • Gambling Regulatory Authority of Singapore
Ministry of Law (MINLAW)	<ul style="list-style-type: none"> • Intellectual Property Office of Singapore • Land Surveyors Board • Singapore Land Authority
Ministry of Manpower (MOM)	<ul style="list-style-type: none"> • Workforce Singapore • Central Provident Fund Board • Singapore Labour Foundation

Ministry of National Development (MND)	<ul style="list-style-type: none"> • Board of Architects • Building and Construction Authority • Council for Estate Agencies • Housing and Development Board • National Parks Board • Professional Engineers Board, Singapore • Urban Redevelopment Authority
Ministry of Social and Family Development (MSF)	<ul style="list-style-type: none"> • National Council of Social Service
Ministry of Sustainability and The Environment (MSE)	<ul style="list-style-type: none"> • PUB, Singapore National Water Agency • National Environment Agency • Singapore Food Agency
Ministry of Trade and Industry (MTI)	<ul style="list-style-type: none"> • Enterprise Singapore • Agency for Science, Technology and Research • Competition and Consumer Commission of Singapore • Economic Development Board • Energy Market Authority • Hotels Licensing Board • JTC Corporation • Singapore Tourism Board • Sentosa Development Corporation
Ministry of Transport (MOT)	<ul style="list-style-type: none"> • Civil Aviation Authority of Singapore • Land Transport Authority • Maritime and Port Authority of Singapore • Public Transport Council
Prime Minister's Office (PMO)	<ul style="list-style-type: none"> • Civil Service College • Government Technology Agency • Monetary Authority of Singapore

Table 1: Ministries and their respective statutory boards

Reform of the Singapore Public Service: From Silo Pragmatism to Whole-of Government

Citizen-Centricity

Early Days of Independence: Elite-Centric and Expertise-based Policy Making

The Singapore Public Service has its origins in the bureaucracy set up by the British when they colonised Singapore in 1819. When Singapore became a self-governing state in 1959, the bureaucracy was localised and reoriented itself towards nation-building (Low, 2018). When it was abruptly forced out of the Federation of Malaysia in 1965, Singapore was then fraught with economic and social challenges in the early days of independence. In the early stages of achieving self-governance in 1959, policy planning was done with the aim of 'survival' in mind. Following the messy trajectory towards independence, Singapore was afflicted with social disorder, high levels of unemployment among its largely unskilled population, and a shortage of affordable housing (Lee, Ma and Zhou, 2017). Faced with capital flight, labour strife, communist insurgency, ethnic tensions and high unemployment rate of over 10% (Ngiam and Tay, 2006), the People's Action Party (PAP) government had to adopt a pragmatic

approach towards managing economic and social problems in order to urgently create jobs and meet the housing, education and infrastructure needs of the people.

Policies implemented in the 1960s had a heavy emphasis on nation-building. The Housing and Development Act introduced a five-year plan to build as much low-cost housing as possible. The Home Ownership Scheme was passed in 1964 to encourage Singaporeans to own their homes, which was further supplemented in 1968 when the government started allowing people to use their Central Provident Fund (CPF) money to pay for the down-payments on their housing (Sim et al., 2003). Nurturing people's talents through education is central to the country's economic growth, productivity and development, being beneficial to both its people and society in general (Gopinathan, 2012). In order to quickly raise the educational qualifications of its citizens, educational policies focused on enabling every child to have an opportunity to be schooled to achieve basic levels of literacy and numeracy (Tan and Dimmock, 2014). The curriculum was also handled in a top-down fashion, and the Ministry of Education (MOE) introduced a teacher-proof curriculum, with common syllabuses and attainment standards, to ensure that all students were educated in the same way.

At the beginning of self-government, the Public Service had to reform itself when the new local government found that senior civil servants were disconnected with the public after many years of colonial rule while Rank-and-file officers were rent-seeking. The Public Service had to reform itself to fit the new nation-building agenda (Low, 2018). A combination of socialisation and anti-corruption measures, driven by strong political will, reoriented the bureaucracy towards the tasks of nation-building. When Singapore embarked on rapid state-led development, senior public officers quickly equipped themselves with the management skills, becoming an "economic general staff" to manage the emerging capitalist developmental state as it required highly centralized, pragmatic, rational and legalistic policy making (Johnson, 1999; Neo and Chen, 2007). As a top-down, command and control system of governance (Tan and Dimmock, 2014: 8), the ruling party was keen to emphasize that Singapore is administered not by politicians, but by bureaucrats in a meritocracy (Sharpe and Gopinathan, 2002). As such, a pragmatic approach characterized by elite-centric and expertise-based policy making was prevailing in Singapore.

At the heart of the civil service, the spirit of meritocracy sets the main basis for the talent management approach to counter patronage especially at the recruitment stage whereby the best and brightest assessed based on academic achievements are hired (Poocharoen & Lee, 2013; Lee, 2021). This is based on Singapore's founding father and first prime minister, Lee Kuan Yew's belief that "If you want Singapore to succeed...you must have a system that enables the best man and the most suitable to go into the job that needs them..." (Quah 2010). Meritocracy offers a fair system, which provides talented and hard-working people from all walks of life with a means of advancement and the opportunity to contribute to the wellbeing of the larger society. It can be a powerful vehicle for social mobility and incentivize people to do their best and reach their fullest potential. By the 1990s, the Singapore Public Service had become well regarded for its "competence, efficiency and integrity" (Jones, 1997).

Increasing Levels of Innovation and Change to Promote Economic Growth and Productivity through Whole-of-

Government Approach

As the economy progressed, the policy focus switched from structural problems to economic growth and productivity. Subsequently in 1995, the Public Service for the 21st Century (PS21) reform movement was launched by Mr Lim Siong Guan (Former Head of Civil Service) to promote increasing levels of innovation and positive change in public services and enhanced their efficiency and responsiveness (Centre for Public Impact, 2018). The three key parameters of PS21 are as follow:

1. Government and the public sector would need to move away from direct management of the economy and society and assume the role of regulator, facilitator and enabler allowing others (especially private sector) to determine the direction of the economy.
2. Government and the public sector must be themselves the source of innovative policies and approaches to public service, otherwise known as dynamic governance (Neo & Chen, 2007).
3. The public sector needs to move away from an administrative and control mind-set and adopt a 'service' culture and attitude

towards citizens.

With the launch of the PS21, policies were introduced aimed at addressing the rapid economic and population growth in Singapore, as well as ameliorating the effects of urbanization and congestion. The government converted various departments into autonomous agencies such as the Inland Revenue Authority of Singapore (IRA), the Public Works Department (PWD) and the Land Transport Authority (LTA) (Haque, 2009). These AAs enjoy substantial discretion in prioritizing their programmes, apportioning financial and other resources, and delivering services (Sarker, 2006). This gave the departments the managerial authority and operational flexibility to test out new policies and innovative solutions without being encumbered by overwhelming bureaucracy.

It was also recognized that agencies can no longer work in silos and need to embark on different inter-organisational arrangements to implement effective initiatives and deliver quality services. Through the rapid containment of the 2003 severe acute respiratory syndrome (“SARS”) outbreak, Singapore learnt the value of inter-organisational collaborations (Lee, 2018). The SARS crisis was a showcase of Singapore multi-agencies’ collaborative efforts in the efficient and effective control of the disease in the “areas of information communication technology, epidemic monitoring and track, epidemic resource recruitment and allocation and community empowerment”(Lai & Tan, 2012; Lai, 2012). The SARS crisis was a black swan for Singapore and had severely disrupted the Singapore economy, leading to a contraction and quarter-long recession in 2003 (Ho,2012; Taleb, 2007). The government recognized that other black swans might surprise Singapore again and a single agency may no longer be adequate or able to implement the needed policies or programs on its own as the issues faced by the country has become more complex and multi-faceted (Neo & Chen, 2007). Complexity also gives rise to wicked problems that have no immediate or obvious solutions (Ho, 2012; O’ Toole L. J., 1997). Consequently, “New structures and processes are required for synergizing across many agencies to achieve integrated policy outcomes, therefore “different configurations of agencies are needed depending on the nature and complexity of the policy concerns”(Neo & Chen 2007:413). More horizontal structures such as inter-ministry committees or cross-agency teams have been formed to address these wicked problems which include climate change, aging society, population growth, counter-terrorism efforts and various social issues (Ho, 2012).

Singapore’s rapid transformation from being a poor third world country in 1959 to a first world nation in 2000 has attracted a great deal of attention universally. Since independence, Singapore has undergone a remarkable transformation through a combination of strong leadership, good governance and pragmatic policies (Lee, Ma and Zhou, 2017). As the country reached a level of prosperity, stable economic growth and its income per head being one of the highest in the world and achieving world-class standard of health care, education, housing and infrastructure, there is recognition that its commitment to meritocracy should be integrated with broader social values such as compassion, humility, and regard for the poor. The meritocratic approach has often been criticised as a system that breeds elitism due to its over emphasis on individual effort which can engender a hyper-competitive and individualistic mindset (Young 1958; Tan 2008). Especially after the results from the 2011 general election (GE), which revealed a growing voice of the public, wanting their needs to be addressed that led to the incumbent PAP receiving the lowest-ever electoral results, facing an unprecedented outpouring of discontentment towards rising housing prices and influx of migrants (Guo & Phua 2014; Lee, Ma & Zhou 2017). Although they won the election, the PAP came to realize that they had neglected an intimate understanding of the needs of the customers from their point of view. At the swearing-in ceremony of the GE2011 cabinet, Prime Minister Lee announced,

“The Government will engage all segments of society—young and old, students, workers and retirees. We will reach out online and in the real world. We will listen carefully to different voices, understand the day-to-day difficulties and strains facing Singaporeans, address their concerns and be open to inputs on what Government can do better. Realistically, we cannot fulfill every request, or accept every suggestion. But by engaging Singaporeans in an inclusive dialogue on making policies and governing Singapore, we can solve our problems better, and shape our new Singapore together.”
(Prime Minister Lee Hsien Loong at the GE2011 Swearing-in Ceremony)

Shift to Policy Advocacy through Public Consultation and Engagement

In the attempt to win back votes from those who felt left out and rebuild legitimacy of its regime, the PAP government for the first time shifted away from the pragmatic approach, to consult and engage the public to promote co-creation and coproduction in policy design and service delivery, making policy making change from top-down mandate to bottom-up collaboration (Lee, Ma and Zhou 2017). Post-NPM approaches, such as “joined-up government”and “whole-of-government”programmes, have also been adopted to build collaborative ICT environments in government by hierarchical strengthening of the center (Klievink & Janssen, 2009; Ojo et. al., 2011). This prompted a mindset change in the government and consequently in its leadership development strategy in the public sector to move away from its elitist exclusive approach.

In conjunction with the move, In August 2012, the Public Service unveiled the Public Sector Transformation initiative. The Public Service Division (PSD), the personnel arm of the bureaucracy, announced the Public Service’s aspiration to be the “One Trusted Public Service with Citizens at the Centre”(PSD, 2018). In pursuit of that vision, the Public Service would “design citizen-centric policies, services, and partner the community”. A month later, the government launched Our Singapore Conversation or OSC. This was described as “a national conversation among Singaporeans … to engage Singaporeans on their desired future for the nation and to establish broad consensus on the key issues that should be addressed”(Khoo and Yee, 2014). For the Public Service, the resources required to staff OSC were substantial. officers from 10 agencies were drawn together to set up a OSC Secretariat. The skills needed to facilitate small group dialogues were not the usual competencies found among public officers. The Public Service was also eager to explore fresh insights into policies and processes, especially integrating design thinking into policy formulation. A group of civil servants from diverse backgrounds were hence sent to the Policy Lab in the UK and MindLab in Denmark to learn and study the design approach in policy formulation. Design thinking challenges traditional public policy formulation and decision making, and it requires specific skills such as ethnography, behavioural sciences, communication and design and architecture, as well as the breaking down of organizational and procedural silos, contesting hierarchies and bureaucracies. Over a period of one year, the Public Service conducted 660 OSC sessions involving a total of 47,000 Singaporeans (Low, 2018).

Subsequently, the design thinking approach was to be infused into the policy-making process. The Human Experience Lab (THE Lab) was set up as a new unit in 2012 under the Public Service Division (PSD) of the Prime Minister’s Office (PMO) to adopt Design Thinking to help agencies design and develop public policies, services and experiences that are more citizen-centric (Lee and Ma, 2019). As the Innovation Lab works to help the public sector transform, it has itself changed. Since 2016, the Lab has provided consultancy and coaching to grow public officers’ skills and mindsets in three areas for public service innovation: empathy, collaboration and experimentation (PSD Challenge, 2019). In 2017, with a new role to boost public sector transformation, the unit was officially renamed Innovation Lab to coach public service officers to do the projects themselves. As a hub and incubator to generate and circulate policy evidence and ideas across government, the lab also fuelled the whole-of-nation approach that brought in the Public, Private and People sectors together. To inject new modes of policy decision-making, the public service is enthusiastic about engaging citizens and other stakeholders, as well as collaboration within and across sectors. These endeavours are helpful in consolidating their policy coalitions and has also led to spin-offs of other innovation labs in and beyond the public service.

Talent Management Strategies to Attract, Develop and Retain the Best and Brightest Public

Service Leaders

Reforms in the Public Service are changes in government processes or structures that help to achieve economic developments and address key public policy challenges. Some processes are directly linked to citizens with regards to the mode of service delivery, while others are less visible to citizens but are no less salient to those working ‘on the inside’of government (Lee, 2021). As the public sector is responsible for designing and monitoring policies practices, decisions made by the public sector will have an impact on the people and credibility of the government (Taylor and Wright, 2004). Therefore, it is important to attract,

develop and retain key potential talented public service leaders to successfully bring the country through the reforms and smooth transformations of the economies. Confronted with a chronic shortage of talented people within the current global landscape of skills shortages, changing demographics, increasing austerity and uncertainties, public sectors around the world are facing intensified competition for talents. To stay ahead of the competition, the public sector must ensure effective talent management strategy and consider leadership developments for the competent employees with most potential for succession planning. Successful talent management and leadership development is achieved by balancing knowledge-exchange, action, reflection and alignment.

Leadership as the Key to Successful Reforms and Public Sector Transformation

The Public Sector Transformation is but a continuation of the constant reforms by the Singapore Public Service to remain relevant in its operating environment (Low, 2018). Inter-sectoral collaborations/ Whole of government networks require new leadership, management and governance structures that distribute power, authority and responsibility across the group, foster shared commitments, resolve conflicts, facilitate lasting relationships and stimulate effective action (Milward & Provan, 2006; Provan & Lemaire, 2012; Ospina & Saz-Carranza, 2010). A facilitative leadership model to “facilitate a collective vision and strategies” is required to solve complex issues and build trust in a collaborative context (Lee, 2017). In the move to instil innovation-driven culture in the public service, leaders must also shift from the bureaucratic top-down transactional leadership to transformational leadership stimulate idea generation and promote team innovation. Such leadership empowers employees with autonomy and freedom to take risk and make individuals feel safe in being proactive (Al-Ahmad and Easa, 2021).

The aim of talent management within the public sector is to provide pools of public servants with outstanding characteristics to serve public, stakeholder and sustain competitive advantage in the long run (Lee, 2021). Talent management schemes in the Singapore public sector have been shaped by the reforms, experiences and cross-country knowledge transfers. Of which many of the concepts and theories are borrowed from the western nations influenced by the New Public Management (Hood, 1991) movement. Talent management practices are largely informed by the hegemony of human resource management models developed in the private sector, contextualised to fit into the Singapore public sector context. However, in the early days, the borrowed western models as well as the externally imposed socialist structures have created exclusive elitist talent schemes that evoked tensions between inclusiveness and exclusiveness of Talent management practices based on social isolationism which led to breeding of public service leaders that had lose touch with the ground and coming out with top-down driven policies that did not consider the needs of the society. When governments cannot recruit and retain capable individuals who are able to engage the public, it adds to the vicious cycle of weak governance (Poocharoen and Lee, 2013). For the public service to be staffed by the best talented people, the Singapore government has intervened by establishing a variety of talent programmes or schemes. These leadership development schemes targeted at selected individuals being identified at an early stage of their career and are developed further through scholarships, trainings, job rotations, mentorships, projects etc. to become future leaders (Dries, 2013; Poocharoen and Lee, 2013; McNulty and Kaveri, 2019; Lee, 2021). Over the years, as the government embarked on reforms at different stages of the country’s development, these schemes have also adjusted and refined, gradually shifting away from an exclusive qualifications-based approach to a more inclusive skills-based approach, especially towards attracting mid-career switchers with diverse experiences outside the service to be groomed as leaders.

Pre-service Scholarship Scheme

The Pre-service Public Service Commission (PSC) scholarship scheme is the main talent attraction strategy as the government believes that offering pre-service scholarships is the best way to attract the best and brightest young men and women to serve the government (Quah, 2010). The PSC scholarships are targeted at recruitment for critical high-level public service functions (Neo and Chen 2007). There are a diverse range of courses and universities for sponsored study. Candidates must be Singaporean citizen or Permanent Resident who are keen to take up Singapore citizenship and are assessed primarily based on their high school academic results and Co-Curricular Activities (CCA) records; leadership potential and the desire to serve the public (Poocharoen & Lee 2013). The candidates must go through a few rounds of interviews and psychometric tests administered

mainly by the PSC. Upon completion of their studies, scholars will serve a four- to six-year bond through one of three career paths: Public Administration, Professional Service or Uniformed Services (PSC, 2023).

In line with the strategic developments of the state, the PSC scholarships had also been changed to offer more specialised domains in 2017 such as in engineering and medicine and dentistry in partnership with the Ministry of Health. However there have been concerns with regards to the inclusivity and diversity of scholars as the main criteria is based on academic results, hence the scholarship awards have been dominated by candidates from elite schools (Singapore Policy Journal, 2020). Attendees of ‘elite’ schools are accorded a higher social status by themselves and others. Therefore, their homogenous socio-economic status would have adverse effects on policymaking since they might not be able to understand the needs of the citizens. PSC therefore piloted the Game-Based Assessment (GBA) as part of the evaluation process to assess attributes such as perseverance and learning orientation (Public Service Commission, 2018). In the commitment to seeking diversity at all levels, PSC expanded its award criteria beyond academic performance and in 2019, out of the 93 PSC scholars who were awarded, 17 were from institutes and 9 from polytechnics (Public Service Commission, 2019).

PSC scholarship holders are also given opportunities to participate in curated development programmes i.e. the Preparatory course before the scholarship holders embark on their studies; and PSC Scholarship Holders Mid-Course Programme (PSMP) which takes place at the second year of their studies, to acquire critical knowledge, skills and experiences to enable them to better serve Singapore and Singaporeans. Upon completion of their studies, the scholarship holders may participate in the Gap Year programme whereby they will be attached to an organisation in the people or private sector, either locally or overseas, for a duration of six months to a year. These attachments will allow them to learn about the company’s ethos, business and challenges on the ground, and bring this knowledge into the public service. Previously if these returning scholars passed a rigorous and selective interview, they were directly recruited to the administrative service. Subsequently the returnees had to be deployed throughout the service through a four-year Management Associate Programme (MAP) before they are considered for the administrative service (Poocharoen & Lee, 2013; Lee & Rezaei 2019). With the introduction of the Public Sector Leadership Programme (PSLP) in 2017, recipients are mostly (except under the uniform or medical track) emplaced on the Public Service Leadership Programme (PSLP) upon return and groomed as leaders in generalist or specialist tracks, with an outsize influence on policymaking, and therefore the lives of Singaporeans more generally. Besides the PSC scholarships, respective agencies also offer scholarships based on their criteria and organizational needs. Recipients will also be bonded to the agencies for about two to five years upon their return.

There are two distinctive career development schemes for the scholarship returnees to be groomed and developed systematically leadership talent for senior leadership job roles across the Public Service. They are namely the Administrative Service (AS) and the Public Sector Leadership Programme (PSLP).

Administrative Service (AS)

The AS scheme marks the cream of the crop of Singapore’s civil servants – there are only about 200-300 in the scheme (McNulty and Kaveri, 2019). Previously, the majority of Administrative Officers (AO) are scholars centrally appointed by PSC. The deployment of AOs designations, career paths and postings in different sectors of the Public Service, namely Infrastructure & Environment, Economy Building, Social, Security, Information and Communications Technology & Smart Systems, and Central Administration, are managed by the Public Service Division. AOs are officers who are experts in the business of government. As leaders and managers in the public sector, AOs play a key role in the development and implementation of national policies. AOs prepare ahead for the future, anticipate and analyse problems, and contribute to the survival, security and success of Singapore. The multi-sectoral developmental track will equip leaders with domain depth in 2-3 sectors when designing and implementing policies within and across sectors (PSD, 2023).



Figure 1: Range of learning experiences to support the development of AOs (Reproduced from PSD, 2023)

AOs could be posted to private sector companies to better understand businesses and markets, or to the various statutory boards and government-linked Companies. They could also work in other non-Civil Service organizations such as international organisations, and non-profit organisations, or even abroad. Subject to performance, they may also be appointed as directors on the boards of government-linked companies and statutory boards (PSD, 2023). As the AOs are responsible for developing and implementing national policies in consultation with the political leadership, there have been criticisms that they do not have sufficient knowledge on the ground. Therefore, AOs are invited to participate in the Community Attachment Programme (CAP) as part of their milestone training programmes to allow them to appreciate the issues on the ground and needs of the citizens, as well as the role of the grassroots organisations in engaging the residents on their well-being and concerns. AOs will also be required to attend milestone training programmes at the Civil Service College (CSC), the main training institute of the public sector at key stages of their career to equip them with skills and knowledge on policy implementation so that they can take on higher-level appointments. In addition, through the training, they will also be able to network with their peers from other agencies and with key public sector leaders. In addition to local training, they are also sent for study visits abroad to gain exposure and understanding of the political, economic and social developments in the region and the world and learn from leaders from other countries. Each AO will be mentored by a more experienced officer who will guide their personal and professional development in the Administrative Service. They will also be supported by expert coaching to facilitate their professional development. Directors of the departments in Singapore are relatively young in their mid-30s. The top-performing AOs will take up permanent secretary positions in the end. By their mid-30s, if the AOs' estimated potential is less than deputy secretary of the ministry, he or she would usually be asked to leave the service (Neo & Chen, 2007). A clear benefit of the AS is that AOs' remuneration sits in a different, higher pay scale, and is not tied to any ministry, hence facilitating a tight network of high-calibre talented officers enabling effective inter-ministry and inter-agency coordination (McNulty and Kaveri, 2019).

With the increasing adoption of the whole-of-government approach, AOs are also involved in inter-Agency Project Teams to collaborate with and learn from senior leaders and peers across the Public Service through inter-agency project teams such as in whole of government collaborations like the Singapore Youth Olympic Games and Climate Change Network and whole-of government (WOG) networks such as the Multi-ministry Taskforce on Covid-19 (Lee, 2017; Lee, 2020). By involving in these networks, AOs will be able to provide WOG / strategic perspectives, with the ability to "connect the dots", and synergise and integrate work across different sectors, by leveraging cross-agency networks and experience.

Previously only returning PSC scholars who had completed the 4-year Management Associates Programme and assessment will be considered and appointed as AOs. In recent years, to navigate a more complex and fast-changing environment, the Public Service needs a diversity of strengths and perspectives in the leadership ranks. Therefore, it has opened applications to Singaporeans (in-service and mid-career switchers) who have an outstanding career history, a proven track record of leadership qualities and the desire to contribute to the nation.

Public Service Leadership Programme (PSLP)

PSLP is a talent development programme that develops talented and capable individuals for key leadership positions within the Public Service. PSLP replaced the Management Associates Programme (MAP). Recognising the need to develop a broader base of leaders beyond the Administrative Service and responding to the need for grooming leaders who have deep expertise in key domains such as education, health care, urban planning, communications or foreign policy, the PSLP was set up in 2015, administered by PSD to create multiple job structures and career pathways, so that officers can rise up in professional roles and reach apex positions in their own fields, and not just go through the Administrative Service route (Speech by Prime Minister Lee Hsien Loong at the 2020 Annual Public Service Leadership Dinner, 17 January 2020). The apex positions include Director of Medical Services, or the Director-General of Education, or the Chief Planner, the Accountant-General, or Chief of Government Communications. These officers can then partner and complement the AOs, as part of the larger collective public sector leadership to make up for a more balanced and resilient system.

Applications are opened to in-service, mid-career switchers as well as fresh graduates (must be Singapore citizens) who wish to start work in the Public Service after graduation. There are two phases of the PSLP namely the general phase and the sectoral phase. The general phase is created for those with little or no work experience and they will be posted to two agencies across two sectors, for a minimum of two years each to develop them in core public governance capabilities. The rotations will also allow them the opportunity to explore and gain experience in at least two different sectors of the Public Service. Under the general phase, there is a structured leadership development opportunity which includes rotations, attachments, milestone programmes, inter-agency projects, and coaching and mentoring. Upon completion of the general phase, the officers may be considered for the Sectoral Phase to gain deep domain expertise and knowledge in a chosen sector; or for the AS to remain as a generalist. The six sectors that officers can choose are namely the Infrastructure & Environment, Economy Building, Social, Security, Information and Communications Technology & Smart Systems, and Central Administration (Table 2).

6 key sectors of Public Service	Scope
Infrastructure & Environment	Contribute to making Singapore a vibrant, clean, liveable city with sustainable development, robust infrastructure and good connectivity.
Economy Building	Contribute to Singapore's growth, macro-economic stability, industry regulation and a conducive business environment.
Social	Shape the 'heartware' of Singapore – cultivating a more cohesive, resilient, caring and inclusive society.
Security	Keep Singapore safe and secure through robust enforcement capabilities and sound security policies.
Information and Communications Technology & Smart Systems	Enable better use of data and harnessing of new technologies by the Government to build a digital economy and digital society, in support of Smart Nation.
Central Administration	Ensure effective and efficient use of resources and help develop a consultative and customer-centric Public Service.

Table 2: Six key sectors of the Singapore Public Service and the scope (PSD, 2023)

Officers are given the developmental opportunities and critical experiences to build deep competencies in a specific sector through rotations to different agencies in a chosen sector as well as provided with training programmes to expose officers to key developments and cross-cutting issues within the sector to be developed as a specialist leader. Mid-career switchers with several years of experience may be considered for the PSLP Sectoral Phase (SP) where they will be supported in deepening their competencies within a sector. Their past work experiences will be considered when curating relevant postings and developmental opportunities, and in the consideration for more senior leadership appointments. In-service officers could also be considered for the PSLP via the annual In-Service Nomination Exercise' as nominated by their reporting officers through assessment of their performance and potential.

Mid-Career Leaders Track (MCLT)

The "Mid-Career Leaders Track" (MCLT), a central gateway will also be introduced for mid-career entrants with valuable

experience and the potential and aspiration to serve in Public Service leadership. Candidates may be considered for the PSLP (SP) or the Administrative Service (AS) or apply without needing to choose to join the AS/PSLP or any specific government agencies. Successful candidates will be placed onto the appropriate leadership programme, based on their past work experiences, calibre, readiness and seniority. There will be structured job placement and onboarding support to support mid-career officers transition to the Public Service as they do not have any prior experience working in the public service. For their first one or two postings, officers will select from a list of curated jobs that provides developmental exposure in job roles such as policy-operations as well as stakeholder mobilisation and engagement, which will tap on their knowledge, skills and perspectives. This allows them to leverage their expertise and experiences in making substantive contributions, while supporting their learning and transition into the Public Service.

Digital Ready Public Service in a Smart Nation

In the 2021 Smart City Index published by the Swiss business school Institute for Management Development, which ranks 118 cities by how “smart” they are, considering input from the cities’ residents of how technology had improved their lives (IMD, 2021). Singapore came up top. Singapore’s smart nation journey started in 2014 when Prime Minister Lee Hsien Loong outlined plans to turn Singapore into the world’s first Smart Nation and launched the Smart Nation Programme Office to drive the national effort to transform Singapore into a Smart Nation. Smart Nation is integral to Singapore’s next phase of nation building. Technology disruption is a global force and developments in digital technology present opportunities for Singapore to enhance strengths, overcome national challenges and physical limits to build new sources of comparative advantage. Singapore has laid out mutually reinforcing plans to build a Digital Economy, Digital Government and Digital Society which are the three pillars of Smart Nation. This widespread transformation is exemplified building strong digital infrastructure and service delivery, and involving the public, private and people sectors. In 2016, the Government Technology Agency (GovTech) was formed to be responsible for the delivery of government digital services to the public, and the development of infrastructure to support the Smart Nation initiative. Building digital infrastructure is necessary to accelerate the digital drive of the government, but it can’t sustain that momentum by itself, it will require a pool of tech talents in the government (Ethos, 2019). Particularly during the Covid-19 pandemic, the success of the deployment of digitally driven measurements was not only dependent on Singapore’s readiness, i.e. resilient broadband and internet networks infrastructure which are capable of accommodating to the increased data traffic, but having public sector staff with the digital skills to create content and applications on demand (Lee, Lee and Liu, 2021).

In 2017, the Smart Nation & Digital Government Office (SNDGO) was formed, directly under the purview of the Prime Minister’s Office. SNDGO drives digital transformation and builds long-term capabilities for the public sector and promotes adoption and participation from the public and industry. Through the different talent schemes targeting different levels, the government to attract and recruit tech talent to transform the way the government provides services (Table 3).

The Smart Nation Scholarship	Technology Associate Programme	Smart Nation Fellowship
<ul style="list-style-type: none"> Pre-University and University students Groom and develop young talents or various ICT leadership roles in the public sector 	<ul style="list-style-type: none"> Fresh graduates Two-year exclusive leadership-trainee programme across different tech domains: application development, cyber security, sensors & IOT, data science & AI and ICT infrastructure 	<ul style="list-style-type: none"> Data scientists, technologists and engineers from academia and industry in Singapore and overseas 3 to 6 months assignment or part-time consultancy across tech domains from artificial intelligence, blockchain, cloud, data science, app development, cybersecurity to sensors & IoT.

Table 3: Talent schemes targeting different levels for digital transformation in the government (Lee, 2023)

With the ready pool of public sector staff with digital skills, the government was able to create content and applications on demand and implement several digital platforms in-house such as the TraceTogether app and SafeEntry Registration platform. These platforms were instrumental to complement its efforts in surveillance, enforcement, and engagement to ensure business

continuity and keep the workforce safe during the pandemic. The SafeEntry registration, a national digital check-in system was developed to log visits by individuals to venues providing essential services, as well the employees in those venues (SafeEntry, 2020). During the Circuit Breaker, most essential businesses, such as supermarkets, clinics, and retail outlets, adopted the SafeEntry system. To ensure smooth implementation, relevant ministries worked with operators of premises to deploy the SafeEntry system in wider communities including schools, workplaces, healthcare facilities, shopping malls and hotels (Lee, Lee and Liu, 2021). The officers as developers of the apps were able to engage and educate businesses to troubleshoot and adopt the apps within the very short timeframe. In addition, a suite of technology solutions under the “Stay Healthy, Go Digital!” programme developed by the Infocomm Media Development Authority (IMDA), along with Enterprise Singapore (ESG), enable SMEs and businesses to quickly set up remote working, visitor management, bill and pay online, and sell online. SGTech, a trade association in the tech industry, also rallied companies in the industry to put together a Digital Solutions Directory for businesses. SMEs can access online courses and webinars to upgrade their workers’skills and receive cost-free digital consultancy from experts on best practices for crisis management (Lee, Lee and Liu, 2021).

Efforts to build up the public sector’s digital capabilities and digital services had paid off during the pandemic as Singapore was able to contain the spread by enabling remote work and study. Being one of the countries with the lowest fatality rate in the world, at less than 0.1 per cent, compared with the average of about 1 per cent worldwide, Singapore has demonstrated resilience, strategic agility, and entrepreneurship in the context of the fight against COVID-19 (Teo, 2023; Liu et. al., 2020).

Shifting towards Collective Skills and Competency-based Leadership Development in the Post Pandemic Era

The Covid-19 pandemic has brought significant changes to workplaces around the world - and accelerated many trends, particularly around technology. The pandemic has accelerated the levels of digitisation in workplaces across all sectors including the public sector to meet stricter health rules and reduce physical interactions. The changing technologies and new ways of working were disrupting jobs and the skillsets required. Due to digital acceleration, customer demands are also changing.

For industries to stay competitive and figuring how to introduce technologies into the workplace, they will need to upskill and reskill their employees with digital skills and capabilities to achieve the company’s goals. Skill-based development increases efficiency and makes the workforce more agile to adapt to evolving Singapore market trends. Recognising the need for the public sector leaders to dialogue and work closely with industry leaders to transform their workforce, the GovTech Digital Academy was also launched in 2021 to deepen ICT skills and groom future-ready digital leaders and public officers to be well-versed in the current and future technology landscape to lead digital transformation in their respective agencies and better support industries in digitisation (Digital Academy, 2022). Equipping C-suite public sector leaders with deeper ICT skills will also enable consolidation of resources from different departments within an organisation to drive digital transformation.

The pandemic has hastened industry transformation and demand soars for digital skills in all sectors. Digital technologies like artificial intelligence (AI), the internet of things (IoT) and cloud computing are bringing about a massive shift in the world of work (World Economic Forum, 2022). With more emphasis on digital skills and experiences, paper qualifications which are used to gauge a candidate’s ability might no longer carries high weightage in the selection process. It might also be time for the Singapore public service to consider shifting towards skills-based recruitment criteria to encompass a diverse and inclusive pool of talents. Mid-career switchers who wished to join the leadership schemes in the public service, without degree qualifications but with extensive working experience and skillsets that match the requirements of the organisations should also be highly considered. Employability skills will be beyond ‘soft skills’such as communication, collaboration, critical thinking and emotional intelligence and increasingly centred around using digital technologies at work.

One key lesson that was derived from the pandemic was the importance of the workforce being agile and equipped with

¹ AIM: A for analytical and intellectual capacity, I for influence and collaboration and M motivation for excellence.

skillsets that are transferrable within the sector or even across sectors. Beyond technical skills, the Singapore public service should identify and groom leaders who are agile, resilient, and adaptable to changes including change in roles. Ability to connect, to build relationships with diverse group of colleagues, peers and customers remotely is going to be critical as virtual meetings and interactions will remain a core mode of collaboration. This is all compounded by the fact that the very concept of work is evolving which will have implications for the acquiring and retention of specific skillsets.

Focusing on appraisal qualities based on competencies instead on the AIM framework¹ was also a key shift to competency-based leadership development. Recognising that competencies are demonstrable behaviours which can be developed through deliberate effort. The framework also alerts leaders not just on what competencies they need to build and exercise, but also what are the red flag behaviours that reduce our leadership effectiveness (Leo, 2022). These competencies are tiered according to the level of leadership i.e. at Permanent Secretary, Deputy Secretary, CEO, director, and middle manager levels. The framework also provides clarity for young leaders who just started out in the service to know what competencies they need to build, what to grow in and what to apply. The institutionalisation of the 360-degree feedback exercise for leaders also help the leaders to address the gaps in the competencies that they are expected to demonstrate.

Two initiatives namely, Leadership Xchange Directory and enhanced Leadership Discourse, are also developed in 2022 for the public service leadership community to learn experiences from one another. The Leadership Xchange Directory is an informal support network for leaders to offer advice and share their leadership experiences with others. Leaders will submit a profile of themselves on this exchange and they list areas that they would like to share about, and anyone be it young officers or established leaders, can reach out to them to ask for advice and support. The Leadership Discourse is about encouraging leaders to actively share their leadership stories, their best practices and the learning points that they've collected over the years. These initiatives will infuse stronger collective sense to help support one another's leadership development.

Conclusion

Strong governments are needed to ensure economic development and political stability. If the public sector is not able to attract talents, it will add on the vicious cycle of weak governance and low public service quality (Poocharoen and Lee, 2013). Therefore, appropriate talent management practices and leadership development programmes are critical to be designed and implemented in the public sector to attract and retain talents, especially in the 'war for talent' with the private sector. The Public Sector Transformation reform of the Singapore Public Service serves a deeper purpose of keeping the bureaucracy relevant to operate in a world fraught with uncertainty and complexities. Therefore, shift from elitist towards holistic leadership development will enable the service to build an even stronger proposition for talents to join, to stay and to flourish and carry out reforms and transformation.

From the early days of pragmatism to policy advocacy and increasing engagements, the leadership schemes too has changed and evolved from an elitist system to a system that embrace diversity that values skills and experiences. The dynamic leadership and proactive governance demonstrated by the public service leaders during the Covid-19 pandemic was paramount to the eventual reduction in the rate of infection of Covid-19 in Singapore. As issues become more cross-cutting and complex, leaders need to collaborate with other leaders. Senior leadership is increasingly recognised as 'collective work', with the apex executive team in organisations forming an important collective entity (Ethos, 2021). Transformational leadership is also becoming a powerful approach for public service leaders to navigate the challenges of the modern world. As the new trends in the post-pandemic era are reshaping the future of work, Singapore public service must continue to discern the skills of the future to be equipped for the leaders today and place high priority and investment on learning and upgrading of digital and transferable skills.

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Senior Executive Service in the Thai Public Sector

Abstract	144
Table.....	145
SES concept in the Thai Public Sector	146
SES as a Management System in the Thai Public Sector	147
Senior Executive Qualifications	148
SES Recruitment and Appointment.....	150
Senior Executive Development	151
SES Pre-Service Training Programs.....	151
SES Post-Service Training Programs	152
SES Performance Management	152
Conclusion and Policy Recommendations.....	153
References	155



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Abstract

This paper aims to review the senior executive service (SES) in the Thai public sector. It is found that SES in the Thai public sector is centralized system in which the Office of the Civil Service Commission (OCSC) plays an important role in terms of control, supervision, administration, and operation, while the government agencies must comply with the rules set forth. This causes a promotion of merit-based system and a balance of power in the bureaucratic system itself since the SES is a career-based system. The OCSC, however, tries to counterbalance the system by scoping the roles to lay down criteria for determining qualifications in the selection, competency development, performance management and compensation processes. But in considering those who are suitable for development to enter the senior executive service remains the authority of the government agencies in which the decision process is based on the form of a committee. Some suggestions for the development of SES in the Thai public sector are the government agencies should be more decentralized to operate some processes of SES and the OCSC is expected to concentrate on their policy advocacy's roles.

Keywords: senior executive service, senior executive system, public personnel management

Table

Table 1: Position Classification of the Thai Civil Servants.....	146
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SES concept in the Thai Public Sector

According to the section 45 of the 2008 Thai Civil Service Regulations Act¹, there are 4 types of civil service position which are executive position, director position, academic position, and general position. Each type of civil servant comprises of different levels of positions according to section 46 of the 2008 Civil Service Act, which could be summarized in the following table.

Table 1 Position Classification of the Thai Civil Servants

Civil Service Positions	Elements	Levels
Executive Positions	These include positions of heads of government agencies and deputy heads of government agencies at ministry and department levels, and other positions designated by the Office of the Civil Service Commission (OCSC) as executive positions.	<ul style="list-style-type: none"> - Primary Level - Higher Level
Managerial Positions	These include positions of heads of government agencies below department level and other positions designated by the OCSC as managerial positions	<ul style="list-style-type: none"> - Primary Level - Higher Level
Knowledge Worker Positions	These include positions that require graduates with a degree as specified by the OCSC to perform the duties of that position.	<ul style="list-style-type: none"> - Practitioner Level - Professional Level - Senior Professional Level - Expert Level - Advisory Level
General Positions	These include non-management, director, and other positions, as specified by the OCSC.	<ul style="list-style-type: none"> - Operational Level - Experienced Level - Senior Level - Highly Skilled Level

According to the Civil Service Regulations Act 2008, Section 57², the structure of the SES could be classified into 3 groups as follows.

Group 1, SES band 1 or primary level of senior executives (position level 9) includes the position of deputy head of government departments appointed by the permanent secretary or the head of a departmental government agency under the supervision of, or responsible for the performance of official functions directly accountable to the Prime Minister or to the Minister.

Group 2, SES band 2 or senior executives (position level 10) namely: (1) deputy head of government agencies at ministry level (2) head of government agencies at department level (3) deputy head of government agencies at department level under the supervision of or responsible for the performance of official duties directly accountable to the Prime Minister or to the Minister.

Group 3, SES band 3 or highest senior executives (position level 11) namely: (1) head of a government agency at the ministry level (2) head of a government agency at the departmental level under the supervision directly to the Prime Minister or to the Minister.

Although perspectives on SES have not been clearly defined, according to the memo of the OCSC submitted to the Cabinet in the year 2001³, the fundamental principle in initiating a senior executive system is to focus on the competency of highly competent executives who can work efficiently, dare to make decisions, and take responsibility. Not only is the expectation

¹ Thailand - Civil Service Act B.E. 2551. (2008). Royal Thai Government Gazette (January 25, 2008).

² Thailand - Civil Service Act B.E. 2551. (2008). Royal Thai Government Gazette (January 25, 2008).

towards the ability of a highly competent executives to achieve organizational goals, but also it is to achieve Thailand's competitiveness and adaptability to globalization. As for the initiative and development of senior executive service, it could be categorized into 3 models:⁴

The first model is separating SES in which selection and development processes are operated by government personnel agencies. The tools for selection and development processes in this model are to enhance leadership capabilities and the efficiency of the government. This model is applied in the United States, Canada, Australia, and New Zealand.

The second model is a high-potential SES. This model concentrates on the development process for high-potential civil servants and professional executives. Executive training programs and job rotations are the key tools for this model. It is applied in the United Kingdom, Japan, and France.

The third model is a career-based SES in which executives normally climb through the ranks in the bureaucratic system. There is no development and preparation for high potential executives to advance into management positions.

For Thai public sector, the concept of SES is based on the first and the second models. The form of SES is an integrated model between a separate management system and the development programs for high-potential civil servants to prepare the executive pool for senior executive positions.

SES as a Management System in the Thai Public Sector

Perspective on the senior executive system adopted by the OCSC⁶ can be classified into 2 cases: (1) open recruitment policy that allows opportunities for best fit persons, from both inside and outside public sector, who have knowledge and abilities for such positions, and (2) closed recruitment policy that provides opportunities for civil servants who are qualified with specific experience and expertise. But in reality, it has been found that nature of promotion to a senior executive position in the Thai public sector is still a ladder from a low level to a high level. It could be said that the senior executive service in the Thai public sector is a career-based system with a closed recruitment policy.

SES Management in the Thai public sector is centralized system in which the OCSC plays an important role in terms of control, supervision, administration, and operation, while the government agencies must comply with the rules set forth. This causes a promotion of merit-based system and a balance of power in the bureaucratic system itself since the SES is a career-based system. In other words, the OCSC has the power to determine the criteria for determining qualifications, selection process, competency development, performance management and initial remuneration, but the authority to nominate the senior executive is based on a decision of the committee appointed in each government agency.

AS aforementioned SES management is mainly based on the operation of the OCSC; the units responsible for SES management system are:

⁴ Lafuente, M., Manning, N., and Watkins, J. (2012). International Experiences with Senior Executive Service Cadres. Available at http://siteresources.worldbank.org/EXTGOVANTICORR/Resources/3035863-1285601351606/GET_Note_Recently_Asked_Questions_Senior_Executive_Services.pdf

⁵ Kuperus, H. and Rode, A. (2008). Top Public Managers in Europe: Management and Working Conditions of the Senior Civil Servants in the European Union Member States (Study Commissioned by the French EU-Presidency), Maastricht, European Institute of Public Administration.

⁶ According to section 56 of the Civil Service Regulations Act in 2008, it provides opportunities for specification and appointment of senior executives who come from both open and closed systems.

1. The SES Center is responsible for the SES development program. The purposes of SES center are to carry out studies, analyses, systems' development, and proposals for strategies of quality workforce and senior executive system; to develop models and measures to attract quality workforce to civil service; to develop tools, implement and extend results of the management competency assessment, as well as to set up database and manage talents and senior executive inventories; to provide advice and suggestions related to the talent inventory system and the senior executive system for senior executives; to follow up, evaluate, and report the utilization of the talent inventory system and the senior executive system.
2. The Recruitment and Selection Center is a responsible unit that supports the agencies to develop and set up policies, systems and models of personnel recruitment and selection for being civil servants; provide advice and suggestions regarding to the implementation of personnel recruitment and selection into the civil service for government agencies; to construct and to develop recruitment and testing tools, to serve as coordination center of personnel recruitment for government agencies and public enterprises; to carry out duties related to allocation of government scholarships; to set up standards, criteria, guidelines for accreditation of credentials for the purposes of instatement and appointment of persons, including SES.
3. The Civil Service Training Institute has main responsibilities to carry out studies, analyses, and research relating to human resource development and training in the public sector, development of training courses and media, provision services of training media or technologies; carry out studies and research relating to policies, systems or guidelines for civil servants development, following up and evaluation of human resource development in the civil service; and organize development programs for civil servants. The role of the Civil Service Training Institute related to the senior executive service is to develop and prepare those who have potential to enter senior service positions by organizing training programs for senior executives and additional training programs for senior executive courses.
4. The Bureau of Position Classification and Compensation Development has authority to carry out studies, research and development of remuneration system and fringe benefits; to carry out studies on policies, systems, or standards of the development of position classification in the civil service; analyze and relating to criteria, methods or practical guidelines of manpower planning and the position classification in the civil service and evaluation. The Bureau of Development of Position Classification and Compensation System is also responsible for identifying the SES placement, salary structure, and other benefits for senior executive positions.

In addition, the OCSC has other internal units that drive the mission of managing SES, e.g., the Bureau of Manpower and Position Audit, the Bureau of Disciplinary Standard, the Anti-Corruption Operation Center, and the Ethics Promotion Center. These agencies are considered as central units for the OCSC which are responsible for promoting education, research, development of the system, as well as conducting rules and supervising public personnel management under the moral system and the good governance framework.

Senior Executive Qualifications

SES management system includes the heads of government agencies and deputy heads of government agencies at ministerial and departmental levels, and other positions, e.g., the government agencies under the Office of the Prime Minister. However, the SES management system does not include the governing executives in the Ministry of the Interior and Diplomatic Service Executive in the Ministry of Foreign Affairs since these two ministries have their own SES management system that is separated from the system operated by the OCSC.

Generally, job description of the senior executives is related to setting policies, strategies, and government's administrative plans in accordance with the laws, government policies, and the country's economic and social development plans. Moreover, they are expected to advise and provide opinions for the ministries, the cabinet, or relevant committees on various issues relating to government affairs in their duties and responsibilities.⁷ From these expectations, the OCSC has announced the competencies of public sector executives. Senior executive recruitment, selection and appointment processes are based on the competency model. The model divides competencies into 4 groups (12 competencies).⁸

Group 1) People Management Competencies. The senior executives are expected to have people management competencies which consist of three competencies as follows:

1. adaptability and flexibility to adapt or change the way of working to suit all situations, individuals or groups, dealing with demands of works or organizations as well as being able to understand and listen to opinions from different perspectives;
2. communication skills to recognize and grasp the issues from listening and reading as well as the skills to convince listeners and readers by speaking, writing and presenting the ideas in order to achieve desired goals and gain supports from stakeholders; and
3. collaboration by inspiring people to be conducive to working with the organization, building mutual agreement and good working relationships among the people inside and outside the organization.

Group 2) Management Competencies consist of:

1. managing change to act as a leader who initiates changes that are beneficial to their organization so that the organization can achieve its vision and support others in the organization to implement initiatives that impact to the success of organization;
2. customer service orientation to provide public services that build and maintain relationships with customers by focusing on the needs of the targets; and
3. strategic planning to create an operational plan with specific goals, objectives, strategies, and operational guidelines in order to achieve the expected results under the conditions of time, resources, urgency and anticipation of possible problems and opportunities.

Group 3) Resulted-Based Management Competencies consist of:

1. accountability to be aware of their roles, commitment, and determination to perform their duties, follow the affirmations given to others, and ready to be inspected and be responsible for the results of their actions and decisions;
2. result-based management by promoting achievement motivation through organization, enhancing results according to plans and goals, and corresponding to the expectations of stakeholders efficiently and effectively; and
3. managing resources both inside and outside the organization which includes personnel, information, technology, time and other resources appropriately in order to achieve the goals of the organization and government agenda.

Group 4) Professionally Administrative Competencies consist of:

1. decision making by considering information, opportunities, problems, and evaluating alternatives and results to make the best decision in that situation at the right time;
2. strategic thinking by showing the potential of the executive to identify and analyze the problems and situations by using rationale and experiences to drive the success through practices and solutions; and
3. leadership development which is defined as the executive roles to build up the next generation of leaders and talents in the organization. According to this competency, the executives are expected to announce their organization's vision, convince others to accept and move towards the vision of the organization, support others in terms of giving advice, and empower their employees to grow professionally by focusing on development at the individual, team, and organization level.

There are two important criteria of SES. First criterion is training qualification. In other words, passing the SES training program by the OCSC or other programs equivalent to the SES training program (i.e., certified by the OCSC only) is a crucial qualification of those who want to be promoted as the SES in the Thai public sector. Another criterion is that the candidates must pass the competencies assessment for public sector executives. Then they must apply to the SES selection process to be promoted to SES band 1 or primary level of senior executives (position level 9). It is noted that the account of those who passed the assessment will be valid for no more than two years to make sure that the competencies of the SES fit in with the changing

⁷ The Office of the Civil Service Commission. (2017). Job Specification for the Senior Civil Service. Available at http://www.ocsc.go.th/sites/default/files/attachment/job_specification/1_1_001_1_new

⁸ The Office of the Civil Service Commission. (2001). Core Competency for the Senior Civil Service. Available at http://www.ocsc.go.th/sites/default/files/attachment/article/07_phaakphnwk_ch_smrrthnathaangkaarbrihaar.pdf

environment and the challenging of the public sector.

But for SES band 2 or senior executives (position level 10) and SES band 3 or highest senior executives (position level 11), there is flexibility in considering qualification criteria before taking on a senior executive position. These positions are open for those who have never completed the training course. They are allowed to attend the training within one year from the date of appointment.

SES Recruitment and Appointment

SES recruitment and appointment processes could be classified into 2 types. The first type is an open recruitment policy in which a form of recruitment allows qualified candidates from the public and other sectors to equally apply for such positions. This nomination policy is rather focused on a recognition of experiences and expertise of the person. The second type is a closed recruitment policy in which a senior position is available for civil servants who climb from the early stage of their career to the highest level.

According to section 52 and 56 of the Civil Service Act in 2008⁹ stipulates that “civil service recruitment process and to appointment must be in accordance with the merit system and take into account the ethical behavior of such individuals.”SES as a part of civil service recruitment must comply with the merit system. The system consists of 4 main components: 1) the ability of candidates that must be qualified with the criteria of SES position; 2) the principle of equality that considers the principle of equal rights of persons with educational qualifications and work experiences; 3) the principle of security to guarantee career security for personnel at all levels in the organization; and 4) the principle of political neutrality that all of civil servants must remain their politically neutral behavior.

Although the recruitment and appointment policy of SES is a policy that comes from both open and closed in the situation, it has been found that the nature of ascending to a senior executive position is still a ladder from a low level to a high level. It could be said that the recruitment and appointment policy for the SES focuses on a closed recruitment policy.

The OCSC prescribes criteria, methods, and selection procedures for promoting civil servants to SES positions¹⁰ according to the OCSC Letter No. 0708.1/Wor22. dated September 30, 1997, with the essence requiring each ministry to appoint the SES selection committee. In this regard, the committee must determine criteria for evaluating persons who are suitable for the position to be appointed by considering knowledge, competence, behavior, and service history, including other appropriate qualifications. Then the committee will select and propose three suitable candidates and submit their name to the Permanent Secretary for consideration. If a person has been promoted to a position in level 10, his or her name will be submitted to the minister to present to the cabinet for consideration and approval. As for those who are promoted to be appointed to a position in level 11, the permanent secretary shall nominate the name to the minister for submission to the cabinet for further approval.

In general, the selection committee would assess the candidates with the suitability of core administrative competencies, job-related competencies, and performance in terms of management goals, vision, and other behaviors and attributes necessary to perform the job. In the first round, only 3-5 people per position may be considered for further evaluation. After that, no more than 3 people are selected for the position to be appointed per position, along with specifying the reasons for suitability in each position.

According to the letter of the OCSC 1003/Wor9 dated 26 August 2005, there is still room for political officials to exercise discretion and interfere in the selection process. The minister has the power to exercise discretion in the SES selection process in the case that the permanent secretary does not nominate an appropriate person to the minister, then he/she has the right to

⁷ Thailand - Civil Service Act B.E. 2551. (2008). Royal Thai Government Gazette (January 25, 2008).

¹⁰ The Office of the Civil Service Commission. (2023). Senior Executive System. Available at <https://www.ocsc.go.th/ses#gsc.tab=0>

nominate an appropriate person.

It could be noted that the committee-based selection is only employed for the SES in level 9 and level 10 selection process. For the SES in level 11, the highest senior executives which includes head of a government agency at the ministry level and head of a government agency at the departmental level under the supervision directly to the Prime Minister or to the minister, is directly selected by the permanent secretary or by the minister. To maintain the principle of political neutrality in the SES recruitment and selection process is still questioning for the Thai public sector.

Senior Executive Development

Senior executives are a group of civil servants who play a vital role in driving government policies and strategies to achieve practical results. Therefore, the development of senior executives is focusing on enhancing the executives to have competencies that fit with the current context and to keep up with future changes. There are two models for senior executive development which are pre-service training and post-service training¹¹.

SES Pre-Service Training Programs

The OCSC establishes a higher level of training curriculum standards for executives in 2007. The standard framework has been conducted for preparing high-level executive training courses. Passing the training course conducted by the OCSC or other comparable courses is one of the important qualifications of senior executives. There are two models for SES Pre-Service Training Programs.

Model 1: Senior executive development course conducted by the OCSC namely the Senior Executive Development Program (Nor Bor Sor): Leaders with Vision and Morality. This program has two main objectives. The first objective is to prepare candidates for managerial or equivalent positions to be able to perform their duties in such position effectively by organizing learning in various forms to encourage their skills in terms of self and people management skills, visioning and change management, and results- based management. The second one is to develop leadership skills for life and work in a changing environment by focusing on decision making, communication, coordination, adaptability, flexibility, service mind and resource management. The development process could be divided into 4 phases: 1) orientation and personality assessment, including thinking process development, planning for group study reports and self-development planning practice, and development of leadership and executive networks; 2) main modules training period, focusing on extending the executive competencies from leaning, experiences and practices; 3) a study visit in the country and foreign countries; and 4) closing and farewell session.

Model 2: Senior executive development course operated by other government agencies. Developing high-level executives with maximum efficiency, the Office of the Civil Service Commission is not the only agency that develops high-level executives before entering a managerial position. Other government agencies are able to arrange courses for senior executive development. According to the letter of the OCSC 1013.1/253 on 7 December 2016 regarding to the standard framework for a high-level executive course (2016 edition), the OCSC has a resolution for government agencies to adopt the standard framework for training courses which provides a guideline for the agencies to organize high-level executive training courses with the concept of leaders with vision and morality’ .

However, in accrediting the course, the OCSC consider 11 elements of the curriculum including the name of the course, philosophy and concept, objectives, qualifications of civil servants who are eligible to apply for the high-level executive training program, course management, expected results, operating budget, course content, duration of training program, extracurricular development programs, and training completion criteria. The duration of the training throughout the course will be considered

¹¹ The Office of the Civil Service Commission. (2023). Senior Executive System. Available at <https://www.ocsc.go.th/ses#gsc.tab=0>

in the first place. If the proposed course has a period that cannot be completed, other elements will not be considered. The curriculum certification has been validated in a certain period, requiring that the agencies have to ask the OCSC to approve their curriculum every 3 years.

SES Post-Service Training Programs

According to the letter of the OCSC 1013/27 on 27 August 2010, civil servants including senior executives are obligated to develop their efficiency, morality, ethics, and morale in performing official duties to achieve the state's missions. From this reason, SES post-service training programs are compulsory. There are two models for SES post-service training.

Model 1: SES Post-Service Training Programs conducted by central agencies. The first program is the Senior Executive Development Program: Government Executives (Nor Bor Sor. 2) conducted by the OCSC. The second program is the Leadership Workshop Program: Leaders for Change (Por Yor Por) operated by the OCSC and the Office of the Public Sector Development Commission (OPDC).

The first program (Nor Bor Sor 2) purposes to enhance, accelerate, and maintain the potential and competency of the administration so that the deputy head of government agencies can perform their duties to their full potential and be ready for higher level operations as well as strengthening the administrative networks in the government so that the executives as deputy heads of government agencies can bring about changes and drive the country efficiently. As for the course structure, it consists of a variety of forms and methods of training; classroom training, meeting, discussing, and exchanging experiences through senior consultation (experts), building knowledge and experiences by executive networking, academic seminars by national experts, and field visits to agencies in the country and abroad (focusing on agencies in the ASEAN member countries and Eastern Asian countries such as China, Japan, and South Korea).

The second program (Por Yor Por) is a program in accordance with the Prime Minister's order at the Cabinet meeting on January 31, 2017, which assigned the Deputy Prime Minister in collaboration with the OCSC and the OPDC and other relevant agencies in organizing a short-term training course focusing on brainstorming activities and providing recommendations for solving obstacles in the implementation of the important policies of the government.

Model 2: SES Post-Service Training Programs operated by other government agencies. As for this model, the training program must follow the framework conducted by the OCSC. The framework of the curriculum consists of 1) core competencies, development guidelines and assignment handbook; 2) successful qualified professional experiences using core competencies, i.e., achievement-oriented, and accumulating professional expertise. and teamwork; 3) case studies to develop competencies in adhering to morale and ethics; 4) site visits and experience sharing from public or private organizations, focusing on services to respond to service users and stakeholders of the organization; and 5) lessons-learned session for the senior civil service executives.

SES Performance Management

According to the Civil Service Regulations Act, 2008, the principles relating to the performance of civil service are to achieve the mission of the state efficiently, with Section 76 stipulating that the supervisors are responsible for evaluating the performance of their subordinates. In addition, the OCSC had developed a performance management system to be used as a tool for effective and efficient performance management.

¹² The Office of the Civil Service Commission. (2012). Compensation Guidelines for the Civil Servant. Bangkok. The Office of the Civil Service Commission.

¹³ The Office of the Civil Service Commission. (2009). Performance Evaluation Guidelines for the Public Sector: Performance Management and Performance Appraisal. Nonthaburi: P.A. Living.

According to the Cabinet meeting held on April 5, 2016, senior executive performance management has been approved. Heads of government agencies are required to prepare performance reports that respond to the orders of the Prime Minister, which has additional instructions on operations to support the national strategy and national reform, consisting of: (1) visionary administration (i.e., able to think outside the box without violating government rules and regulations) (4) alleviating poverty; (5) developing human resources and creating learning within government agencies; and (6) creating transparency and clarity in government operations and budget spending.

The objective of senior executive performance management is to evaluate and promote the executive potential. The Secretary-General of the Civil Service Commission will act as a center for collecting performance reports, including information from relevant agencies to be presented as information for consideration to assessors. The assessors consist of: (1) the Prime Minister, Deputy Prime Minister or Minister who is assigned or authorized to supervise and monitor the performance of civil service in the regional inspectorate area; (2) Minister or Deputy Minister (only in the case that the Minister is absent or unable to perform official duties). The details of the senior executive performance evaluation can be considered from the components in the following details.¹⁴

1. Functional based evaluation: efficiency in performance according to the basic mission principles, routine tasks, normal tasks or work according to the duties, main responsibilities, work according to the law, rules, or government policies.
2. Agenda based evaluation: efficiency in performance according to the government reform guidelines, urgent policy, or a specially assigned mission.
3. Area based evaluation: efficiency in performing tasks according to the mission area/local, region, province, provincial groups or the integration of operations in multiple areas or agencies.
4. Competency based evaluation: efficiency in performing duties based on knowledge, competence, skills, and competencies used in performing duties as specified by the OCSC.
5. Potential based evaluation: potential as an administrator for the development of the country in accordance with the national strategy and government master plans for developing countries in various areas.

Based on the above-mentioned five components, the assessor will assess at least three components. In each component, the assessors will consider knowledge, ability, skill and performance, dedication of time to government service, efficiency in providing services and facilitating people, target budget disbursement, creating awareness and understanding among the people, proactive action to keep up with the situation, integrity, and the satisfaction scores from the people who receive the service.

Conclusion and Policy Recommendations

From reviewing the current context of SES in the Thai public sector, it reflects the view towards the system which focuses on a hierarchical career growth (career-based pattern). As it was mentioned by the OCSC that the system empathizes the standardized development programs for the high-potential civil service by which the OCSC plays the key roles in controlling, supervising, administering, and operation, while various government agencies have limited powers by which they have to comply with the rules set forth. The OCSC, however, tries to counterbalance the system by scoping the roles to lay down criteria for determining qualifications in the selection, competency development, performance management and compensation processes. But in considering those who are suitable for development to enter the senior executive service remains the authority of the government agencies in which the decision process is based on the form of a committee.

From the context of the Thai government agencies, there are some suggestions for the development of SES in the Thai public sector which can be classified into two models as follows:¹⁵

Model 1. Decentralized SES Policy, this model can be classified into two types which decentralize all processes and

¹⁴ The Office of the Civil Service Commission. (2009). Performance Evaluation Guidelines for the Public Sector: Performance Management and Performance Appraisal. Nonthaburi: P.A. Living.

delegate some processes to other government agencies.

Model 1.1 Full decentralization Policy by allowing the government agencies to operate all processes of SES: The model of top executives depends on the future context and the form of the department, such as digital work that can accept qualified leaders from outside agencies. In the case that there is a tendency for senior executives from a position-based perspective, the OCSC should put effort in amending the laws and regulations.

Model 1.2 Partial decentralization Policy by allowing the government agencies to operate some processes of SES: The OCSC as a central agency should support and provide a central-SES database for government agencies, e.g., providing a list of senior executives who will enter the position through the central basket. Decentralizing in SES will be the first important step for the Thai public personnel to transform passive HR functions to a smart HR policy that means the HR functions and processes could preemptively respond to changing environment and challenges of the Thai public sector.

Model 2. SES -One Stop Service Model. There should be a central unit that are responsible for a one-stop SES. According to the structure of the OCSC, the SES Center should be a central unit where the two key roles must be taken. For the first role, the SES is expected to concentrate on their policy advocacy's roles in which SES's policy recommendations will be driven from a tank of nationwide data and information collection. For the second role, the SES Center can play their role as a consultant for the government agencies, focusing on developing, analyzing the system, and recommending strategies related to the SES. As for the level of management, the SES Center should decrease their roles in SES operation and enhance the HR capabilities to the government agencies. This recommendation is not only for the SES development, but also new S-curve for the Thai public personnel.

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¹⁵ Chorkaew, S. (2019). Ten-Year Trends in the Thai Senior Executive Service (from 2018 to 2027). *Journal of HR Intelligence*. 14(2): 27-47 (in Thai).

The development of recommendations for SES in the Thai public sector is based on the mentioned above research in which the Ethnographic Delphi Future Research (EDFR) techniques were employed to find the future solutions. The research employed interview forms and opinion questionnaires from 18 experts consisting of political officials, senior executives in the public sector, and academics. Two rounds of data were collected. The first round was an open-ended and unguided interview with experts, focusing on the future that should be. The second round was conducted by using questionnaires to obtain expert opinions to confirm the most-likely scenario and recommendations.

Attracting and Using Talent in Vietnam’s Public Sector



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Abstract	158
1. Concept of talent	159
2. Talent management in the public sector	160
2.1. Perception of talent in the public sector	160
2.2. The role of talent in the public sector.....	161
2.3. Talent management in the public sector	162
2.4. Some issues facing talent management and development in the public sector.....	162
3. Current status of attracting and using talent.....	163
3.1. Results of implementing policies to attract and use talents.....	164
3.2. Some existences and limitations	166
3.3. Causes of limitations and existences	167
4. Solutions to improve the efficiency of attracting and employing talents in the public sector	168
REFERENCE	170
ANNEX.....	171
1. The provisions of the law	171
2. Resolutions and Decrees of the Government	171

Abstract

Attracting, managing, and using talent is a crucial issue in the current period. This is especially important in the context of the Fourth Industrial Revolution, which presents both opportunities and challenges for countries worldwide, including Vietnam, to achieve rapid and sustainable development. Therefore, attracting and using talent in the public sector will create a team of civil servants and public employees who meet the requirements and tasks at hand. This will help build a professional, responsible, dynamic, and effective administration, thereby contributing to the development of the country.

1. Concept of talent

The term “talent” can be interpreted in various ways. Academically, it refers to a shift in how people are managed in organizations. Rather than seeing employees as a cost, they are regarded as the most important resource. Under this approach, every member of the organization is considered talented and has unique strengths that can add value. Therefore, every individual has the potential to contribute to achieving the organization’s goals.

The narrow approach defines talents as the top performers or high-potential individuals within an organization or group. They are considered special and not everyone within the organization is considered a talent. Talents make a significant contribution to the organization’s performance, either immediately or in the long term by demonstrating the highest potential. These individuals are often seen as high achievers or “the best.”

Currently, there are various interpretations of what constitutes talent, but the overall agreement is that talented individuals possess exceptional abilities and consistently produce outstanding work that surpass expectations. Achieving this requires more than just innate talent - talent must be nurtured, trained, and applied to yield practical, positive outcomes for society. Talent is not an abstract concept, but rather a specific skill set associated with a particular job or profession that contributes to society and the nation. This means that talented individuals must embody moral qualities such as honesty, responsibility, tolerance, humility, politeness, and hard work, while also possessing high qualifications, skills, and professional expertise to excel in their respective fields.

Looking at it from a different angle, talent can be defined as an individual or a group of people who possess exceptional abilities in a particular area of expertise, have extensive knowledge, and have the capability of assuming leadership positions, acting as experts, consultants, or solving problems that ordinary individuals cannot. The Vietnam Encyclopedia defines talent as “the most complete combination of certain abilities for a certain activity, helping people to achieve outstanding, new, and socially meaningful achievements”. To achieve remarkable accomplishments, innate factors alone are not enough. Talented individuals must train themselves, accumulate social knowledge, and emotional intelligence, and spread positive values within their community. Professor Dave Ulrich, from the University of Michigan, USA, has developed the 3C talent theory, in which he believes that $Talent = Competence * Commitment * Contribution$. Employees are considered competent if they have the relevant knowledge, skills, and values required for their current and future job positions. Good competence relies on three rights: the right skills, the right position, and the right job. In addition to capacity, commitment is essential, meaning that employees are willing to stick with, accompany, and devote themselves to the organization’s success. Some individuals may be skilled, intelligent, and proficient in their work, but without putting in the effort or doing their best, it is challenging to create value or make a meaningful and impactful contribution.

During the process of human development and growth, there are three factors that can influence the formation and maturation of talents. These factors include the genetics of the family, the natural and social environment, and the individual’s personal qualities such as effort, adaptability, dynamism, and creativity. All three factors are interrelated and play a vital role in the development of a person’s intellectual and practical abilities, as well as their ethical values. However, to identify and recognize talent, a system must be in place that takes into account these factors:

- An individual’s intellectual capacity is measured by their intelligence, thinking ability, and generalization skills. They should possess the ability to judge events, make foresightful decisions, react quickly, remember things for a long time, and be flexible. Creativity is a crucial quality that should be displayed as well. It is a product of talented people who are sensitive, always seeking new knowledge, and can master new skills. To evaluate intellectual capacity, IQ measurement tools can be used.
- Practical capacity is another quality that should be considered alongside intellectual capacity. It involves mental capacity, willpower, social activities, communication skills, and the ability to complete tasks. Good communication skills, selecting valuable information, expressing problems concisely, and fact-finding skills are some of the essential practical competencies. Emotional quotient (EQ) measurement tools can be used to evaluate practical capacity. The individual’s

status, achievements, and work results recognized by society are also crucial factors.

Intellectual capacity and practical ability are essential for developing talent, but they alone are not enough. To truly excel and make a meaningful contribution, a person must also possess strong moral character. Talents are most effective when they are used to pursue noble goals for the benefit of the community. A person with ambition, willpower, energy, courage, responsibility, enthusiasm, passion, and a dedicated mindset can achieve great things and stay focused on their goals and ideals throughout their life. In short, true talent requires not only skill but also virtuous qualities, without which it cannot truly shine.

2.Talent management in the public sector

Talent management is a relatively new topic for the public sector. Many countries around the world consider attracting, retaining, and promoting talents in the public sector as a strategy for public sector reform in particular and in national construction and development in general.

2.1.Perception of talent in the public sector

Identifying talent in the public sector follows the same principles as in organizations in general. However, the public sector differs from the private sector in several ways. It places greater importance on broader norms and values, has higher expectations for civic responsibility, and demands transparency, impartiality, and equal treatment in operations. Additionally, the public sector doesn't operate in a competitive market and is more politically influenced. As a result, many experts suggest a more specialized approach to talent management in the public sector, where individuals possess not only specific skills but also a conscious spirit and values that align with the sector's values.

Governments worldwide are striving to create a national "elite" to lead and develop their countries. While this is a positive strategy, it is essential to have an elite group of individuals who exhibit ethical behavior, empathy, responsibility towards the community, and respect for public values. They should possess a spirit of public management, appreciate emotional values, and uphold the values of the community. Failure to do so could lead to a dictatorial or dogmatic elite.

Although developing a talent development strategy and focusing on the country's elite is a new trend in human resource management, most countries approach it in a limited way. Individuals in the public sector who possess competencies, knowledge, and values that reflect the core principles of the public sector are considered public sector talent. They are able to use their unique abilities to serve the public for the common good.

Identifying talented individuals in the public sector and state agencies is a complex issue with various opinions. First and foremost, it must be affirmed that talented people in public sector agencies (civil servants) must meet the conditions and standards prescribed by law. These include nationality, age, diplomas, certificates, health, and quality standards. In terms of professional capacity, training and retraining are also crucial. High-quality human resources in the public sector are those who are healthy, have high education and professional qualifications, possess good working abilities, and have ethical public service or professional ethics. They always actively seek to improve their professional qualifications, take the initiative in integrating to improve themselves, and contribute to improving the operational efficiency of agencies and organizations.

In the past, the evaluation of talented individuals only considered their abilities and commitment to work. However, in today's workforce, talented individuals must also be able to contribute and receive recognition. Hiring talented individuals benefits organizations in many ways, including increased productivity, a better reputation, and greater brand recognition. Talented individuals also need to be dedicated, constantly seeking new ways to think creatively and gain experience, while also creating material wealth. By using their intelligence to serve their community, country, and beyond, they can bring about positive changes in their region and the world.

In the public sector, talented individuals must possess both innate qualities and abilities learned through training to excel in their assigned duties. When evaluating talent, it is important to consider both high potential and high performance. However, this approach can lead to two different methods of discovering and appreciating talents. One approach is to focus on individuals who have already demonstrated excellent results in their current role, while the other approach is to identify individuals with high potential for future contributions based on qualities such as outstanding academic achievements. Regardless of the approach, all talented individuals in the public sector should be respected and appreciated for their unique abilities and contributions.

To excel in the public sector, individuals must possess exceptional task performance and high potential. They should have the ability to complete complex tasks and contribute to the agency's development. "High potential" is a crucial factor in identifying talented individuals, but it must be accompanied by excellent results in task performance to be recognized and rewarded. Moreover, moral qualities and abilities are interconnected and essential for promoting personal growth in talented individuals working in public sector agencies.

2.2.The role of talent in the public sector

First, talented individuals play a crucial role in enhancing the quality of human resources in the public sector. Their exceptional qualities and capabilities create a positive outlook on civil servants and promote traits like responsibility, ethics, and civil service culture. Talented individuals in public sector agencies possess the vision, capacity, and creativity to drive development changes. As civil servants represent the State to the people, the presence of talented individuals in the public sector reinforces public trust in their ability to perform their duties effectively.

Second, in addition, skilled individuals working in public sector agencies and units play a crucial role in enhancing the effectiveness of tackling ever-increasingly intricate tasks. The advancement of globalization and international integration presents opportunities, as well as challenges, for every nation. Opportunities arise and disappear rapidly in the global arena, while development obstacles grow more varied and complicated. To take advantage of opportunities and overcome challenges, public sector agencies and organizations must adopt truly original and imaginative strategies for addressing problems and finding solutions. This necessitates the involvement and input of talented individuals

Third, in today's age of rapid scientific and technological advancements, particularly the Fourth Industrial Revolution, the quality of a country's human resources is crucial for its rapid and sustainable development. The traditional factors for socio-economic development are becoming less significant. Competition between countries is no longer just about resources and cheap labor, but also about knowledge, creativity, adaptability, and the ability to make breakthroughs. The creativity of a country depends on various factors, including the quality of its human resources, particularly high-quality human resources in the public sector. These individuals are responsible for formulating and implementing policies and laws to develop social human resources, which ultimately promotes the overall development of the country.

Fourth, in the public sector, talented individuals are highly regarded and acknowledged for their contributions to the development of capacity and talent in society. This helps promote them as role models to others. As President Ho Chi Minh once stated, "A good example is better than a hundred speeches". Talented individuals in public service activities and provision serve as an inspiration for their colleagues to learn from and strive to follow. This also motivates the team to constantly improve their capacity, quality, ethics, and overall culture of civil service.

Fifth, as national governance innovation and state administrative reform continue, it is inevitable that government agencies will need to streamline their operations and staffing. This means that employees in the public sector must possess higher levels of capability. Attracting and valuing talented individuals is essential to ensuring that government agencies and organizations within the political system operate with effectiveness and efficiency. This approach also leads to higher quality and more efficient public services for individuals and organizations, while serving as a catalyst for the state administrative

reform process.

2.3. Talent management in the public sector

Talent management and development is a relatively new focus for public sector organizations. The term “Talent Management” gained popularity after 1998 when Steven Hankin and his colleagues introduced the term “War for Talent”. In today’s highly competitive labor market, identifying the right talent, and developing and retaining it has become a top priority for all organizations.

Talent management is a process that varies depending on the strategy, culture, and goals of each organization. There are two main approaches to talent management that are commonly used in organizations. The first approach emphasizes talented employees, who are considered “high-ranked”. This approach believes that an organization is only as strong as its talented people. Talent management is about attracting and effectively utilizing talent to serve the organization’s goals. According to Silzer & Dowell, “Talent management is a set of processes, programs, and cultural norms within an organization designed and implemented to attract, deploy, and retain talent to achieve strategic goals and meet the needs of the organization both now and in the future.”

The second approach believes that talent management is similar to the concept of human resource management. This activity also includes content such as recruitment, leadership development, and human resource planning. Therefore, talent management is not fundamentally different from human resource management. Both are about finding the right job for the right person and managing the supply, demand, and flow of people through the organization.

Scholars have offered various perspectives on talent management in the public sector. In a narrow sense, it refers to the process of systematically recruiting, retaining and developing talent in both the short and long term. In a broader sense, it is a strategy that ensures public sector employees possess not only knowledge and competencies but also core values that are suitable for the public sector context.

The approach to talent management in the public sector varies from country to country. Some countries view talent as being elite individuals and have talent management strategies aimed at this special group. For example, the Singapore civil service has adopted three guiding principles to manage talent: “attract the best people, assign them challenging work, and pay them well”. Singapore’s public sector talent management policy focuses only on individuals identified as potential and outstanding performers. It uses special policies such as pre-service scholarships, high salaries, and creating career paths for top talent in the civil service to prepare them for future leadership roles.

Different countries adopt different approaches to talent management within the public sector. While some countries choose a more holistic approach that considers everyone in the public sector system as talented, others opt for a combination of talent management methods. This involves focusing on the group of elite individuals while also providing opportunities and investments to the remaining groups of civil servants in the industry.

For instance, some organizations in the UK civil service have adopted comprehensive talent management. This approach provides equal development opportunities for both mid-career and senior civil servants. However, in many specific stages, the talent group in the narrow sense - the elite, superior group - is respected and given focused attention to ensure their development needs are met.

2.4. Some issues facing talent management and development in the public sector

First, the public sector is experiencing competition when it comes to attracting talent. One reason is the increased pressure on efficiency and effectiveness in responding and adapting to the new context’s objective requirements. Additionally, the

private sector’s competition for talent is also a concern for the public sector. The concept of work has changed, and many workers, particularly the skilled ones, no longer view the state as their only option. Furthermore, the public sector’s image, environment, and working conditions are not as appealing as those of external organizations. As a result, the job market for talent has become more competitive than ever before, making it challenging to attract talent to work in the public sector.

Second, the recruitment process can be a challenge when trying to attract talented individuals to work in the public sector in many countries. To comply with legal regulations, there are often multi-step and complex procedures involved in the recruitment process. For instance, in countries like France, England, Belgium, and the Netherlands, entrance exams are mandatory for all candidates, which can be both costly and time-consuming. As a result, talented individuals often opt for the private sector where the requirements are lesser and the selection procedures are less complicated.

Third, many countries are experiencing a loss of highly skilled workers, particularly in their public sectors. This trend is particularly noticeable in developing nations. The causes of this “brain drain” include downsizing, an unappealing work environment for younger generations, and competition from the private sector which offers more attractive salaries, better working conditions, training, and promotion opportunities. Compared to the private sector, the public sector working environment is less dynamic and creative, and the salary policies are not competitive enough. If this issue is not addressed promptly, it will be challenging to attract and retain the most talented individuals in the public sector.

Fourth, the demand for top-notch human resources in the public service system has been rising, along with the need for increased responsiveness. Recently, many countries have been striving to reduce the number of public sector jobs as part of cost-cutting measures. This makes it imperative to develop a more skilled workforce to serve in the public sector. That’s why strategic talent management is a key priority for many nations globally. Governments must grapple with the complex challenge of attracting and retaining the most qualified individuals for public service, especially in the current “war for talent.”

Fifth, the “war for talent” is fueled by technology and globalization trends that blur the boundaries between organizations and countries. With the rise of personal computers at work and home, the spread of the internet, open database systems, and customizable web browsers, employers can advertise job opportunities quickly and easily connect with potential workers. These changes, along with shifts in the employer-employee relationship, mean that highly skilled individuals are no longer confined to searching for job opportunities within their own country or region. They can now access and work for organizations located anywhere in the world.

The public sector aims to be innovative and keep up with the Fourth Industrial Revolution to meet global development requirements. To achieve this, talented individuals must be recruited to improve leadership and management capacity. Retaining these individuals is also crucial to prevent brain drain. The public sector struggles with attracting and keeping talented individuals due to inflexible policies, inadequate compensation, and negative power dynamics. Despite efforts from various ministries and localities to attract talent, success has been limited.

Recruiting skilled individuals across all industries is an essential task that significantly impacts the quality of human resources and the prosperous growth of a nation, particularly in the public sector. President Ho Chi Minh once stated that “talented and virtuous individuals can accomplish tasks that benefit the country and its people”, emphasizing the crucial role of talent in nation-building. Article 61 of the 2013 Vietnamese Constitution confirms that educational development is the foremost national policy to enhance people’s knowledge, develop human resources, and nurture talent. As such, the state prioritizes the utilization and advancement of talented individuals.

3. Current status of attracting and using talent

As of December 31, 2021, Vietnam has 247,722 civil servants (106,890 in central ministries and branches, 140,832 in localities); 1,789,585 public officials (119,475 in central ministries and branches, 1,670,110 in localities). Between 2020 and June

2022, 39,552 civil servants and public employees quit their jobs across Vietnam. This number accounted for nearly 2% of the total number of long-term staff at these agencies. Among them, more than 16,000 worked in the education sector and 12,000 in healthcare. The number of people who quit their jobs is mainly under the age of 50, nearly half of them have university degrees, and 16% have master's degrees. At the same time, more than 14,240 civil servants and public employees have been recruited to promptly replace the number of those who resigned from 2020 to mid-2022.

As of 2020, 3,128 people were recruited as part of the policy to attract and value talented and high-quality human resources in three ministries and 21 localities. Among them, 2,903 people remain employed, accounting for 92.8%, while 225 individuals have left their positions, accounting for 7.2%.

- Regarding professional qualifications for attraction, there are 68 people with doctoral degrees (2.41%), 853 people with master's degrees (30.25%), and 1,899 people with university degrees (67.34%).
- Regarding the age demographics during recruitment, there were three surveyed groups: "20 to under 25 years old" comprising 42.5% (1,180 individuals); "25 to under 30 years old" comprising 40.1% (1,115 individuals); and "over 30 years old" comprising the lowest proportion with only 17.4% (484 individuals).
- Regarding the fields and occupations that were trained and fostered after being attracted, healthcare has the highest number of people at 842, making up 30.97% of the total. Following closely behind is the engineering-technology industry with 363 people (13.35%), economics with 231 people (8.5%), and finance with 219 people (8.05%). Other fields make up a significant portion with 1,064 people, accounting for 39.13% of the total.
- Regarding the current positions of the attracted people: it appears that the majority, which is 90.13% or 2,375 people, hold positions as experts or equivalent. There is only one person, accounting for 0.04%, who is a leader in the Provincial People's Committee or a similar position. Department leaders or those with equivalent roles make up a very small percentage of 1.37% or 36 people, while those in division leadership or equivalent positions account for 8.46% or 223 people.
- Regarding the current rank structure: The current rank structure of those interested mainly consists of expert ranks or their equivalents, which totals 2,534 people, accounting for 91.88%. The remaining ranks have a low representation, such as 200 principal experts or equivalent (7.89%), and only 5 senior experts (0.11%). The officers and their equivalents make up 21 people (0.76%).

3.1. Results of implementing policies to attract and use talents

The State's policies on attracting and using talented individuals have been well-received by ministries, branches, and localities. They have taken an active and decisive approach in leading, directing, and organizing the implementation of these policies and laws. As a result, there has been significant progress in attracting and utilizing talented individuals across the country. This progress is evident in the following areas:

- a. Identification of target audiences and focus areas for talent attraction policies:
 - The ministries, branches, and localities have focused on attracting the following groups:
 - + Excellent graduates
 - + Persons with academic titles, master's and doctoral degrees
 - + Science and technology experts in various fields such as economics, finance, health, education, engineering, and technology.
 - + The result from 2018 to 2022: 135 excellent graduates and 123 young scientists were attracted and recruited to work in 38/47 central state agencies and organizations, and 58/63 localities.
 - Attracting talent in the central government is different from local government:
 - + Attracting talented people at the central level requires mainly recruiting excellent graduates and young scientists working at Party agencies, government institutions, Vietnam Fatherland Front, and socio-political organizations at central to district levels. Additionally, public non-business units of the Party, State, and armed forces as prescribed in Decree No. 140/2017/ND-CP, Decree No. 40/2014/ND-CP, Decree No. 87/2014/ND-CP, Decree No. 27/2020/ND-CP are also

considered.

- + On the other hand, at the local level, many provinces and centrally-run cities have issued specific policies based on the provisions of laws (Laws and decrees) to attract and employ talented and capable individuals with high professional qualifications. The focus is on prioritizing spearheading industries and fields that suit the locality's advantages and development needs.

- Regarding the focus of attraction:

Recently, many localities have taken into account their specific circumstances and local development needs to determine which fields are most important to attract talented individuals to their area. By following future local development trends, they have adjusted their criteria for each subject to meet practical requirements. The main sectors and fields that communities are targeting include health, education, social services, science and technology, law, administration, and information technology. The process of implementing attraction policies at the local or central government level is based on specific job positions, standards, and professional qualifications as prescribed.

- b. Specific remuneration policies for talented people

Many provinces and cities have established regulations to attract and utilize talented individuals and cultivate high-quality human resources, in line with the Party's policies and legal regulations. However, due to variations in economic, cultural, and social development among localities, the subjects, scope, regimes, and remuneration policies differ.

Examples of these policies include commending and honoring exceptional graduates from local universities, direct recruitment without entrance exams, preferential policies for housing, land allocation, transportation, and job prioritization for spouses, and initial allowances for those with significant work experience and professional qualifications.

One of the most commonly implemented preferential policies is a competitive salary package, along with additional incentives and a favorable work environment. In particular, Ho Chi Minh City offers a relatively high level of remuneration to attract talented professionals to work in the city.

The industries of healthcare, engineering-technology, economics, and finance have shown a high rate of trained and fostered talents after being attracted to work. Healthcare reached 30.97%, engineering-technology reached 13.35%, economics reached 8.5%, and finance reached 8.05%. The recent talent attraction policy in localities is considered necessary and timely, as it helps to attract highly qualified people to work in a number of industries and fields, meeting the urgent requirements of the country. Attention has been paid to training and retraining of talents.

- c. Attracting foreign and overseas Vietnamese talents to work in Vietnam

The government of Vietnam values and encourages the contribution of Vietnamese intellectuals and scientists living overseas to their homeland. They promote patriotism among these intellectuals and encourage them to work and research in Vietnam.

In recent times, many overseas Vietnamese have returned to Vietnam to start businesses, work, and collaborate with their fellow intellectuals. The government has implemented various policies and programs to facilitate this cooperation.

Some popular forms of cooperation include introducing relationships abroad, participating in email and internet-based discussion groups, providing consultation and criticism for scientific research, teaching on a full-time or part-time basis, supporting Vietnamese students studying in the country, and participating in domestic scientific research and investment activities.

- For policies to attract highly qualified foreign human resources to participate in science, technology and innovation activities. On May 11, 2022, the Prime Minister signed Decision No. 569/QĐ-TTg promulgating the Strategy for developing science, technology and innovation until 2030, the goal of which is science and technology. Technology and innovation play an important role in developing key industries, with a focus on processing and manufacturing industries,

making an important contribution to restructuring the economy towards modernity, making our country become a country with modern industries by 2030; Actively and effectively participate and take advantage of commercial advantages and opportunities of the Fourth Industrial Revolution.

3.2. Some existences and limitations

The regulations for attracting and valuing new talent are principled and are found in separate documents that govern the management of civil servants and public employees in general. However, the content of these regulations is not reasonable, as they only prioritize and incentivize people with high qualifications and skills. There are other important aspects that have not been addressed, such as how to utilize the talents of those who have been attracted, providing a suitable work environment, promoting career growth, and ensuring fair compensation. Additionally, the policies for attracting talent have not been implemented consistently across all ministries and local branches, as they vary depending on individual capabilities and available resources.

When it comes to building a talented team, it's important to start with the recruitment process. However, current practices still heavily emphasize qualifications. Localities, agencies, and units have policies in place to attract talented individuals, but the main criteria are often academic qualifications, such as graduating from a good or excellent university, holding a master's or doctorate degree, or having a title such as a professor or associate professor. Surveys show that many localities require even directly recruited excellent graduates and young scientists to pass an exam. Unfortunately, the exam's content, question format, and structure aren't always appropriate or formal. They often focus too heavily on theory and don't adequately test the candidate's capacity and skills for the job they're being recruited for.

In terms of task assignments, it is important to ensure that civil servants are given responsibilities that match their title, position, and rank, while public employees should be given tasks that align with their professional title, management position, and job requirements. However, some agencies and departments do not follow a scientific approach to assigning roles and may not place the right people in the right positions. This can result in individuals being unable to work independently, lacking decision-making abilities, and struggling to adapt to new tasks. Additionally, it is common for talented professionals to be promoted to managerial roles without considering whether they have the necessary skills for leadership positions. It is important to recognize that not all skilled professionals make effective managers and that some may prefer to remain in their area of expertise rather than pursue administrative roles. It is necessary to provide appropriate compensation and recognition for professionals who excel in their field.

Regarding salary, it is important to note that salaries for civil servants and public employees are still on the general pay scale and payroll system. While there have been improvements in wages and benefits, they still fall short of meeting the demands of modern social life. Additionally, public sector salaries remain lower than those in the private sector, meaning they often fail to provide adequate support for the needs of civil servants and public employees. The current payroll system is also average and fails to motivate workers to improve their efficiency. Low wages make it difficult to make ends meet, especially for those living in large cities like Hanoi and Ho Chi Minh City. As a result, many people have recently left their jobs due to insufficient pay. This indicates that the current salary and compensation system does not accurately reflect the true value of the workforce, leading many talented people, especially young people, to seek employment in other companies and enterprises outside of the public sector.

The working environment is an important factor that greatly affects the attraction, utilization, and treatment of talented people. If the working conditions do not meet the requirements for research, creativity, and application, it can be difficult to attract talented individuals. Additionally, the conditions of time and working space also have an impact, particularly for research and creative work where a flexible approach to time management is necessary.

3.3. Causes of limitations and existences

1. Improvement in innovation, regulation, and talent acquisition has been slow due to limited awareness. Specifically, the importance of attracting and utilizing talent to enhance the quality of civil servants and public employees has not been clearly defined. There is a misconception that diplomas and degrees are the only indicators of talent, whereas these qualifications only reflect an individual's level of training in a particular field. The criterion of creative capacity and dedication shown in results, innovation, progress, and beneficial effects for the field, local area, community, and society is often ignored. The identification of talent is restricted to inconsistent criteria such as quality, ethics, knowledge, capacity, results, merits, and achievements. Ministries, branches, and localities primarily focus on academic qualifications and age when selecting talent, while practical capacity and work achievements are disregarded. The mechanism of selecting, recommending, and self-nominating talents has not been innovated and is concretized in numerous fields.
2. Some organizations may not fully understand the crucial role that talent plays in building and developing their field, region, locality, or country in the current situation. There may also be a lack of awareness regarding policies, conditions, and environments that attract and make use of talented individuals. This can be due to a lack of emphasis and direction from leadership when it comes to implementing policies that support and encourage talented individuals. Proper attention has not been given to the dissemination of guidelines and policies that attract and utilize talented individuals. Additionally, there may be slow progress in terms of innovation in awareness, thinking, working style, leadership, and management skills. Without proper fostering and training, this can lead to many limitations and inadequacies in the way that talent is arranged, utilized, and appreciated.
3. There is a lack of comprehensive policies to motivate, appreciate, and support talented individuals in various areas such as employment, respect, evaluation, fostering, training, salary, and rewards. The creation and implementation of preferential treatment mechanisms and policies for talented individuals must adhere to legal provisions. However, if the law does not have policy provisions or regulations, difficulties may arise. Moreover, there is still a lack of coordination between different levels, sectors, agencies, and organizations. This results in the development and issuance of incentive mechanisms and policies that lack synchronization and unity, failing to create a synergistic effect to attract and utilize talents.
4. It's difficult for Vietnamese talents living abroad to stay informed about opportunities for career advancement and development in Vietnam. Issues related to transparency, fairness, and cumbersome administrative procedures, as well as comparisons between old and new employees who receive different incentives, inconsistent interest groups, working methods, and culture make it challenging to find common ground. Despite calls for Vietnamese talents to return home and contribute to the development of the country, there is still a lack of strong connectivity. Unfortunately, many leaders and managers are not yet ready to take advantage of talent, and their thinking and working practices are slowly evolving. Some of these leaders and managers have reputations that are lacking, and their capacity and quality are not up to par with their tasks. As a result, talented people do not respect their ability or reputation.
5. New graduates often encounter difficulties when trying to secure positions in state agencies due to a variety of objective factors. The slow pace of innovation in training programs and methods, combined with the complex nature of state management, means that it takes time to gain experience and expertise. As a result, some areas such as health, education, technology, culture, arts, and sports may not be operating at their full potential. Furthermore, new employees may not receive adequate support, encouragement, or guidance from their colleagues and superiors during the initial stages of their employment. Additionally, low salaries and insufficient compensation, unattractive working and living environments, and poor working conditions can act as barriers to retaining talented individuals. This has resulted in a shortage of skilled personnel in state agencies, which struggle to retain staff for extended periods.
6. The system for recruiting, employing, and managing civil servants and public employees based on job positions is still incomplete and has been unable to move away from the previous career-based model. There has been no innovation in decentralization, decentralization, and recruitment methods based on job positions. As a result, the policy of attracting and valuing talented individuals has not been effectively promoted. Many agencies and local authorities have not been successful in evaluating and classifying quality based on task performance results, which can create motivation and encourage talents to feel secure, dedicated, and promote their abilities. In many places, staff streamlining has not been done properly, fully, and strongly, and has not been able to remove those who are not qualified for the job, leading to

difficulties in staffing and job positions, and making it challenging to attract and recruit talented individuals.

7. The country's economic situation is currently affected by a recession, and there are limited policies in place to regulate salaries and incentives for talented individuals. The current salary system for talented individuals is based on a hierarchical structure used by government agencies and organizations within the political system, which is unappealing to potential talent. The differences in salary between ranks and grades do not accurately reflect the qualifications and job requirements of different positions. Salary increases are mainly based on seniority rather than job position and work efficiency of the individual in charge. Therefore, it is essential to implement salary reform that considers job position, including a separate mechanism and salary policy for talented individuals that is attractive and competitive. Such reform can help retain talent, ensure dynamism and attractiveness, and differentiate it from the salaries of civil servants and public employees in general.

4. Solutions to improve the efficiency of attracting and employing talents in the public sector

1. It is important to increase awareness about the role and significance of talents, and the necessity of implementing policies to attract and utilize them in public sector agencies and organizations. This requires competent agencies to employ various methods to ensure that the entire society understands that attracting and valuing talents in the public sector is not solely the responsibility of State agencies, but also the responsibility of the society as a whole. To achieve this, there should be extensive propaganda and information dissemination about this policy, so that every individual and organization, particularly management agencies, heads of agencies, and each civil servant, can better comprehend the need and their responsibility to attract and retain talented individuals.
2. Develop the job description and competency framework for the job position. A job position refers to a specific role, title, and rank of a civil servant that determines their salary and placement within an agency or organization. The purpose of determining job positions is to clearly define the number of positions needed within an agency or organization and to identify the number of personnel required to complete the tasks of the agency. Developing a job position system helps agencies and organizations review their organizational structure and personnel, and identify the functions and tasks associated with each position within the organization. This work also helps identify any overlaps in job functions and tasks, avoids predetermined personnel assignments, and assists with creating and assigning jobs to avoid overlap. This process assists in arranging and rearranging teams of talent, officials, civil servants, and public employees based on job positions, and helps overcome situations where there may be an excess or shortage of human resources.
3. To enhance the management of civil servants and public employees, it is essential to innovate and improve institutions. The recruitment and allocation of talent should be based on the nature, content, and performance of work. Quality should be evaluated according to output results. It is necessary to create a competitive environment among agencies and organizations to attract and retain talent, thus generating a "demand" for talent. An agency should be established to assist the Government in managing talent policies in work activities. This agency will be responsible for advising and formulating policies to attract and respect talented individuals.
4. It is important to establish and implement effective policies regarding the salaries and treatment of human resources in the public sector, particularly for talented individuals. Salaries should be based on their duties, responsibilities, and dedication as civil servants, and serve as motivation to increase productivity and work performance, as well as improve professional qualifications. It is also crucial to create a separate ladder and payroll system for talented individuals, where high-quality workers are compensated accordingly in order to foster creativity. Laws and policies should be put in place to enhance the working conditions and environment for public agencies and organizations. To retain and encourage talented individuals to reach their full potential, a democratic and friendly working environment must be established, built on mutual respect and trust. This environment should also prioritize fairness and professionalism, creating a competitive arena for all.
5. It is important to establish clear responsibilities for agencies, organizations, and individuals involved in creating and implementing policies for talent recruitment and treatment. The leaders of these agencies and organizations have the responsibility to direct and coordinate the implementation of solutions to achieve the goals and requirements of these policies and laws. The effectiveness of implementing such policies and laws will be used as a factor in evaluating and

ranking these entities on an annual basis.

6. To ensure the proper recruitment, employment, and management of civil servants and public employees, it is important to increase inspections, examinations, and supervision of legal regulations. This should include overseeing the recruitment of employees from higher agencies and promoting a mechanism of "self-monitoring, evaluation, and inspection" within organizations. By enforcing recruitment regulations, we can effectively build and sustain our human resources, meeting the demands of modernization and industrialization. Through testing, we can identify strengths, weaknesses, and inadequacies and offer solutions and recommendations to improve recruitment practices. Additionally, we must review and clarify responsibilities, and take strict action against individuals or groups that fail to comply with legal provisions.
7. Our main priority is to implement the National Strategy for attracting and valuing talented individuals in a coherent and unified manner. This will help to enhance the quality and quantity of skilled civil servants and public employees in State agencies and non-business organizations at all levels. To achieve this, we aim to develop policies and laws that identify and attract talented individuals and establish criteria for recognizing and appreciating their abilities based on the unique demands of each sector and field.
8. Our goal is to develop effective financial policies and mechanisms that can mobilize a wide range of financial resources to support policy implementation. One such policy involves creating a fund to promote talent development in the public sector. This service is designed to identify, train, nurture, reward, and recognize talented individuals who are dedicated to public service activities.

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ANNEX

1.The provisions of the law

In Vietnam, institutionalizing the Party's policy on attracting and using talent, the Law on Cadres and Civil servants, and the current Law on Public Employees all mention talents in public service activities and in professional activities. Accordingly, the State has a policy of detecting, attracting, appreciating, and giving fair treatment to talented people; The Government stipulates a policy framework to favor and reward talented people in public service activities; responsibilities of the head of the agency in deciding the regime of honor and treatment for talented people in public service activities in the agency, organization or unit under their management; principle of prioritizing the selection of talented people in recruiting civil servants and public employees...).

Accordingly, in Article 6, Law on Cadres and Civil Servants 2008: Policy for Talented People: "The State has policies to discover, attract, foster, utilize and give worthy treatment to talented people."talented person. The government specifically regulates policies for talented people."In the 2010 Law on Public Employees: Article 6. Principles of Public Employee Management: "Implementing gender equality, the State's preferential policies for public employees who are talented, ethnic minorities, with meritorious service to the revolution, officials working in mountainous areas, border areas, islands, remote areas, ethnic minority areas, areas with particularly difficult socio-economic conditions and other preferential policies for public employees". Article 10. Policy on building and developing Public Service Organizations and Public Employees: "The State has a policy of building and developing public employees with professional ethics, qualifications, and capacity expertise to meet the increasing demands of the public service provision sector; discover, attract, foster, utilize and adequately reward talented people to improve the quality of service to the people".

In the Law amending and supplementing several articles of the Law on Cadres and Civil Servants and the Law on Public Employees in 2019: Clause 2, Article 1 has amended and supplemented Article 6 of the Law on Cadres and Civil Servants in 2008 as follows:

"Article 6. Policies for talented people in public service activities"

1. The State has a policy of detecting, attracting, appreciating, and giving fair treatment to talented people.
2. The Government stipulates a policy framework to favor and reward talented people in public service activities.
3. Based on the Government's regulations, the heads of agencies specified in Points a, b, c, and d, Clause 1, Article 39 of this Law shall decide on the meritocracy and preferential treatment for talented people in agencies, public service organizations ad unit under their management; The Provincial People's Council regulates policies to favor and reward talented people in public service activities in agencies, organizations, and units managed by the province."

2.Resolutions and Decrees of the Government

The Law on Cadres, Civil Servants and the Law on Public Employees mentioned above only institutionalize the Party's policies on talent issues, the content is principled, laying the foundation and basic legal basis for talent. According to the provisions of the Law on Cadres and Civil Servants, the Law on Public Employees and the Law amending and supplementing several articles of the Law on Cadres and Civil Servants and the Law on Public Employees in 2019, the Government has issued regulations on attracting and using talent as follows:

- Decree No. 40/2014/ND-CP dated May 12, 2014, regulating the use and appreciation of individuals in scientific and technological activities;
- Decree No. 87/2014/ND-CP dated September 22, 2014, regulating the attraction of individuals engaged in science and technology activities who are overseas Vietnamese and foreign experts to participate in scientific and technological activities in Vietnam;
- Decree No. 27/2020/ND-CP dated March 1, 2020, amending and supplementing several articles of Decree No. 40/2014/ND-CP; which regulates many mechanisms and policies for training, fostering, and incentives for scientific and

technological talents;

- Decree No. 140/2017/ND-CP dated December 5, 2017; which stipulates policies to attract and create cadres from excellent graduates and young scientists working at agencies of the Party, State, Vietnam Fatherland Front, and socio-political organizations from central to district level; public service organizations of the Party, State and armed forces. That is:
- + Excellent university graduates from domestic or foreign higher education institutions and meet one of the following standards:
 - * Won an individual prize in one of the competitions to select excellent students at the provincial, national, or international level in one of the natural sciences (math, physics, chemistry, biology, information technology) and social sciences (literature, history, geography, foreign languages) during high school education;
 - * Won an individual prize at national or international science and technology competitions while studying at the high school or university level;
 - * Won an individual prize at an Olympic competition in one of the subjects: mathematics, physics, chemistry, mechanics, information technology, or other majors during university studies.
- + People with master's degrees, 1st-level specialist doctors, resident doctors, and 1st-level specialist pharmacists specializing in medicine or pharmacy (graduated from a university with good grades or higher and have a post-graduate major in the same field of training at the undergraduate level).
- + People with doctorate degrees, 2nd-level specialist doctors, 2nd-level specialist pharmacists specializing in medicine or pharmacy.
- + Graduates with excellent performance are appointed to civil servants or equivalent positions with a salary grade of 1/9. Young scientific officers with a master's degree, 1st-level specialist doctors, resident doctors, and 1st-level specialist pharmacists are appointed to the rank of specialist or equivalent, with a salary grade of 2/9. Young scientific officers with a doctoral degree, 2nd-level specialist doctors, and 2nd-level specialist pharmacists are appointed to the rank of specialist or equivalent, with a salary grade of 3/9.

In addition to their salary, they receive an extra allowance equal to 100% of their salary based on the current salary coefficient. They are also entitled to other salary allowances according to applicable laws in specific regions, industries, and fields.

They are considered for taking exams to higher ranks and professional titles. They are also given priority for training and development to enhance their professional qualifications, skills, and foreign language proficiency to meet the requirements of their tasks and public affairs.

- Decree No. 138/2020/ND-CP dated December 1, 2020, has regulations on civil servant recruitment for excellent graduates and talented young scientists; policies applicable to talented people in public service activities;
- Decree No. 115/2020/ND-CP dated September 29, 2020, has regulations on admitting to work as public employees for people with special talents and aptitudes suitable for job positions in various fields such as culture, arts, sports, traditional professions;
- Resolution No. 50/NQ-CP dated April 17, 2020, of the Government, promulgating the Government's Action Program to implement Resolution No. 52-NQ/TW dated September 27, 2019, of the Politburo on several Guidelines and policies to proactively participate in the Fourth Industrial Revolution have identified 10 main tasks, including the tasks of developing high-quality human resources, attracting and appreciating talents, ... meet the requirements of the Fourth Industrial Revolution and suit Vietnam's conditions. That is:
 - + "Promote the development of high-quality science and technology human resources, focusing on developing a team of experts, leading scientists, and effective research groups to meet the requirements of the Fourth Industrial Revolution and suitable to Vietnamese conditions";
 - + "Promoting international integration and cooperation in science, technology and innovation, actively attracting participation and contributions from the community of Vietnamese scientists abroad";
 - + "Promote the development of human resources, especially high-quality human resources, to meet the requirements of the Fourth Industrial Revolution and international integration. Developing a team of leading experts and scientists; focusing

on technical human resources, technology management human resources, business management and administration human resources; human resources to manage society and organize life and take care of people. Continue to innovate the regime of recruiting, using and appreciating talents in management, state administration, science, technology, and innovation. Develop a national strategy to attract and utilize talents.

- Decision No. 899/QD-TTg dated July 31, 2023, of the Prime Minister approving the National Strategy on attracting and utilizing talented people to 2030, with a vision to 2050. Objectives of the Strategy for 2025 are:
 - + Develop and improve legal regulations and promulgate a policy framework to attract and utilize talents in the fields of leadership and management; economy; science and technology; education and training; medical; culture and arts; social science; sports; military, defense and national security; information and communication..., contributing to implementing strategic breakthroughs in developing high-quality human resources, promoting rapid and sustainable development in science, technology and innovation; create a healthy social and cultural environment, ensuring the preservation and promotion of national cultural values and social ethics.
 - + By 2025, attracting talents to work in state agencies, organizations and units is about 10% of the total number of new recruits.
 - + In addition, goals for 2030, orientation to 2050:
 - + Maintain the rate of talent attracted to work in the State's agencies, organizations and units not less than 20% of the total number of new recruitment every year.
 - + Striving for 100% of talents (recognized) to continue to work after 5 years of being attracted and valued to work at agencies, organizations and units of the State; The rate of trained and fostered talents in the field of science and technology will reach 30% by 2025; reaching 60% by 2030 to reach 100% by 2050.
 - + The Global Talent Competitiveness Index (GTCI) from 2031 onwards has always improved, striving to increase gradually compared to the previous year; The indicators of "attracting talent" and "retaining talent" rank high among high-middle-income countries.
 - + Create breakthroughs in promoting innovation networks and connecting talents. Establishing a global network of Vietnamese talents, a global network of Vietnamese experts and scientists, including leading scientists of international stature in basic sciences, high technology, and spearhead economy; talented leaders and managers, including many strategic-level officials; talented businessmen, including many regional businessmen; leading experts, young talents and talented prospects in the fields of politics, economics, science-technology, culture - society and other fields.

In localities, based on the Resolution of the Provincial People's Council, the Provincial People's Committee has developed and promulgated many regulations on policies to attract talent. Although there are differences in the objects, scope of regulation, and policies on attraction among localities, it has also shown the interest of government at all levels and sectors in developing and promulgating policies of attraction talent in the public sector.

Modernizing the Philippine Civil Service through Digitalization



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- Abstract 176
- Introduction 177
- Brief Profile of the Civil Service..... 177
- Brief Overview of Digitalization 179
- The Development of Digitalization Roadmap in the Civil Service..... 179
 - The Marcos and Aquino Administrations 180
 - The Ramos Administration..... 180
 - The Estrada Administration 180
 - The Arroyo Administration 181
 - The Aquino Administration..... 181
 - The Duterte Administration 182
 - The Marcos Administration..... 182
- Current Initiatives on Digitalization by Select Government Agencies 183
 - The Supreme Court (SC) in the Philippines 183
 - Department of Environment and Natural Resources (DENR) 184
 - Department of Finance (DOF) 184
 - Bureau of Internal Revenue (BIR) 184
 - Bureau of Customs (BOC)..... 184
 - LandBank (DOF-managed bank) 184
 - Department of Education 185
- Challenges in Digitalization..... 185
 - Low level of development of most government websites 185
 - Inadequate database management system 185
 - Human resource constraints..... 186
 - Physical resource constraints 186
 - Funding Constraints..... 186
 - Legal and regulatory change..... 186
 - Cybersecurity risks and citizen’s privacy concerns 186
- Concluding Note 187
- References 188

Abstract

The development of digitalization of government systems and procedures has started way back in the 1970s with the creation of the National Computer Center. Since then, each administration has formulated its own digitalization roadmap, with the scope and content expanding with each new roadmap. The focus of the digitalization roadmaps has evolved through successive roadmaps including providing the different sectors with access to information and communication technology (ICT), transforming the core government processes from analog to digital, promoting an inclusive, people- and development-oriented environment, linking digitalization with governance, economic development, integrity and poverty alleviation, creating One Digitized Government that cuts across sectoral themes and coordinative undertakings by different offices. The adoption of One Digitized Government anchored on whole-of-government approach proved to be crucial at the height of the COVID-19 pandemic especially after it was observed that the government had inadequate database that resulted in delayed distribution of urgently needed ayuda (assistance) and limited contact tracing of people who may have been exposed to COVID patients. Government agencies which have adopted digitalization program were also found to be in different levels of progress. Constraints like financial, human resources, physical, and regulatory affect the implementation of the digitalization roadmap and until the government act upon them, our progress towards digitalization will be further delayed and leave us lagging behind our more advanced neighbors in Asia.

Key Terms:digitalization, roadmap, digital transformation, One Digitized Government, whole-of-government approach

I. Introduction

The Philippine Civil Service Commission (CSC) is celebrating a milestone, its 123rd founding year anniversary. Established on September 19, 1900 through Act No. 5, the Civil Service Board as it was known then was mandated to administer competitive examination as a measure of merit and fitness to applicants wanting to build a career in the civil service. Through the years, the CSC has adopted various modern human resource techniques aimed at developing the competencies of civil servants, whom CSC Chairperson Karlo A. B. Nograles referred to as the “nuts and bolts that make the government machinery work”.

Currently, there are 2.8 million civil servants where 1.8 million or 62 percent are classified as career and occupying plantilla positions. These are the civil servants who will carry out the digitalization roadmap laid out by each successive administration. The digitalization roadmap in the country has evolved in terms of content and scope through time as each administration, building upon the previous roadmap, came out with its own expanded version. However, the onslaught of the COVID-19 pandemic has made it perfectly clear that the lack or inadequacy of comprehensive database system causes delay, inefficiency and ineffectiveness of government’s response. Moreover, the increasing influence of digitalization in the global economy and society has put pressure on the government to hasten the adoption of digitalization roadmap.

The paper is divided into parts. The first part is a brief overview of the concept and practice of digitalization. The second part is a brief overview of civil service in the country. The third part traces the development of digitalization roadmap in the civil service. The fourth part presents the digitalization measures/technologies adopted by select government agencies. The fifth part discusses the challenges affecting the implementation of the digitalization roadmap.

II. Brief Profile of the Civil Service

Based on the official website of the Civil Service Commission (CSC), there are 2.8 million civil servants employed throughout the country as of June 30, 2023. Of the total positions, close to two-thirds (1.8 million or 62 percent) are occupied by career civil servants whose entry into the civil service was based on merit and fitness determined via competitive examination or high technical qualifications. Career civil servants are appointed to plantilla/regular positions and enjoy security of tenure (see Table 1). The remaining 38 percent of the positions are distributed between non-career positions numbering 221,325 or eight percent, and job order/contact of service with 832,812 personnel or 30 percent. Non-career civil servants enter the civil service based on factors other than competitive examination, for instance, being elected into office and appointment to cabinet positions. Job order refers to intermittent or emergency work not exceeding six months while contract of service refers to employment requiring special or technical skills or competencies not exceeding one year.

Table 1. Inventory of Government Human Resource by Position*

Classification of Positions	Number	Percent Share (%)
Career	1,751,975	62.43
Non-Career	221,325	7.89
Job Order (JO)/Contract of Service (CO)	832,812	29.68
Total	2,806,112	100.00

* As of June 30,2023

Source:Civil Service Commission(CSC)official website

A little over three-fourths of the career civil servants are assigned at the national government agencies (1.3 million or 72.95 percent) and government owned and controlled corporation (70,195 or 4.0 percent) compared with 19.48 percent or 341,213 personnel at the local government units (see Table 2).

Table 2. Inventory of Government Human Resource by Major Subdivision*

Major Subdivision	Number	Percent Share (%)
National Government Agency (NGA)	1,262,336	72.05
Government Owned and Controlled Corporation (GOCC)	70,195	4.01
State Universities and Colleges (SUC)	60,770	3.47
Local Water District (LWD)	17,461	1.00
Local Government Unit (LGU)	341,213	19.48
Total	1,751,975	100.00

* As of June 30,2023

Source:Civil Service Commission(CSC)official website

A large majority of the career civil servants are appointed to the 2nd level positions numbering 1.3 million or 73.48 percent while the 1st level positions are occupied by 464,691 personnel representing 26.52 of the total. The first level shall include clerical, trades, crafts, and custodial service positions and requires sub-professional eligibility while the second level shall include professional, technical, and scientific positions and requires professional eligibility (www.csc.gov.ph)

Table 3. Inventory of Government Human Resource by Level of Position*

Level of Position	Number	Percent Share (%)
1st Level	464,691	26.52
2nd Level	1,287,284	73.48
Total	1,751,975	100.00

* As of June 30,2023

Source:Civil Service Commission(CSC)official website

Almost all of the career civil servants are holding permanent positions reaching as much as 1.7 million or 98.74 percent and very few possess temporary appointment with 21,926 or 1.25 percent of the total.

Table 4. Inventory of Government Human Resource by Status of Appointment*

Status of Appointment	Number	Percent Share (%)
Permanent	1,729,902	98.74
Temporary	21,926	1.25
Total	1,751,975	100.00

* As of June 30,2023

Source:Civil Service Commission(CSC)official website

III. Brief Overview of Digitalization

Digitalization refers to enabling or improving processes by leveraging digital technologies and digitized data (Gupta, 2020). It entails the transformation of analog processes into digital processes, thus it “presumes digitization” or the transformation of analog data into digitized format including storage and transfer of digitized data (Gupta, 2020). Simply put, it transforms the old ways of doing things, for instance, using spreadsheets to prepare reports, into digital processes like automation or using computer software to prepare reports.

Digitalization of processes offers certain benefits such as streamlining of processes which in turn improves efficiency and productivity in the workplace. Efficiently streamlined processes enhance customer satisfaction, increase profit to the company and generate good impression on the company. Unlike analog data, digital information can be easily stored and transferred and does not a large space for storage which enables the company to save on cost.

Governments introduce digital technologies in service delivery to achieve the following:

- Better online user experiences for citizens.
- Increased public participation.
- Improved internal efficiency and productivity.
- Less burden on IT (when delivered with cloud-based technologies).
- Better collaboration among departments.
- Reduced labor costs.
- More innovation (<https://granicus.com/dictionary/digital-government-services/>)

IV. The Development of Digitalization Roadmap in the Civil Service

The adoption of a new program or project that is introduced in an organization follows a certain gestation period to take root, develop and mature. However, the onslaught of coronavirus disease (COVID-19) globally at its peak in 2020-2021 undoubtedly compelled the concerned governments around the world to fast-track the adoption and implementation of digital transformation of their systems and processes. When affected governments imposed lockdowns to prevent the spread of the COVID-19 virus, they needed to transition immediately from face-to-face to online platforms to hold meetings among policymakers, implementers and partners and continue with service delivery especially those that were designed to address the health issues posed by the pandemic. The significant contribution of digital technology especially during the pandemic was not lost to civil servants who when discussing civil service reforms will certainly “will be more open to adopting technologies to support civil service modernization activities (Kerr and Khatiwada, 2021: 3).

Embracing the opportunities and challenges on decision- and policy-making, service delivery, customer satisfaction posed by the 21st century, the Philippines has started the digitalization program from way back in 1970 according to the Philippine Digital Justice System, but for Treceñe, it began in 1992. Both the Philippine Digital Justice System and Treceñe mapped out in their respective papers the development of digitalization in the civil service through successive terms of the Philippine Presidents. Treceñe reviewed and analyzed six strategic, namely: a) National Information Technology Plan for the 21st Century (1997) 1992 – 1998, b) e-Philippines Strategy Government Information Systems Plan (2000) 1998 – 2001, c) Philippine ICT roadmap 2006 – 2010, d) Philippine Digital Strategy of 2011-2016, e) Philippine e-Government Master plan of 2012, and the current f) Philippine digital transformation strategy 2022 (2021: 1) (see Figure 1). The strategic plans focused on the Information and Communications Technology (ICT) infrastructure development, transforming the government’s operations and policies online, direct digital engagement among citizens, ICT policies and laws, and bridging digital gaps (Treceñe, 2021: 1).

This section will use both papers as references and will try to come up with a cohesive or unified discussion on the significant developments in the journey of digitization in the public sector.



Source: UNESCAP and APCiCT, 2019:4

The Marcos and Aquino Administrations

The Philippine Digital Justice Initiative stated that the development of the digitalization program started way back during the time of President Ferdinand Marcos, Sr. when he established the National Computer Center in 1971 and mandated it to spearhead the automation of government works. However, the formulation and implementation of policies, plans, roadmaps, strategies started during the administration of President Corazon Aquino in 1986-1992 and continued in the succeeding administrations. To underscore the importance of communication information and technology in the civil service, a pertinent provision on the subject matter was included in the 1987 Philippine Constitution which states that, “The State recognizes the vital role of communication and information in nation-building” (Section 24, Article 2).

The Ramos Administration

The first national plan to map out the digital transformation in the country was called the National Information Technology Plan for the 21st Century (1997) 1992-1998 which was formulated during the administration of President Fidel Ramos. The Plan had two major objectives, namely, “(1) to provide access to Information Technology (IT) to every business, government agency, school, and residences in the Philippines by the year 2000 and (2) for the Philippines to become the Knowledge Centre of Asia by 2010” (National Information Technology Council (NITC, 1997 in Philippine Digital Justice System, 2021: 9). The other objectives of the Plan included streamlining of government work processes and promotion of a strong economy. To achieve these goals, the government needed to set up a nationwide information infrastructure highway to boost the internet connectivity, create a conducive policy environment by passing national laws and issuance of national policies as necessary, introduce institutional reforms, develop IT-savvy manpower, and encourage the business sector to produce IT related products.

The Estrada Administration

The second national plan called the e-Philippines Strategy Government Information Systems Plan (2000) 1998 – 2001) was prepared by the National Information Technology Council (NITC) during the administration of President Joseph Estrada. According to the Plan, the government envisioned to transform the core government processes from analog to digital in five to

ten years, an objective that the Plan explained was intended to strengthen the practice of good governance and transparency in government transactions and operations. A former local chief executive himself, President Estrada made sure that the Plan recognized the important role of the local government units in broadening the adoption of information technology to bolster revenue collection, service delivery and entrepreneurship. Moreover, to strengthen the implementation of the Plan, the Estrada administration was able to pass the E-Commerce Act of 2000 and establish the Information Technology and e-Commerce Council (ITECC).

The Arroyo Administration

The ten-year administration (2001-2010) of President Gloria Macapagal-Arroyo continued the government’s journey towards digitalization as shown by the creation of third plan referred to as the Philippine ICT roadmap 2006-2010 by the Commission on Information and Communications Technology (CICT), the agency that replaced the ITECC. The Plan envisioned to increase public awareness of and appreciation for ICT, encourage the private sector and various stakeholders to support the Plan by investing in and producing ICT-related products in the short- to medium-terms, for government to lay down sustainable strategies for further developments in ICT way into the future, and increase coordination among stakeholders in the implementation of ICT programs and projects.

To implement the roadmap, Treceña (2021: 4-5) enumerated what he described as inclusive, people-centered and development-oriented ICT programs and projects as follows: (1) Community e-Center Program (CeC) designed to increase community access to online services and provide training to key implementors to sustain the management and operation of the program; (2) Internet in Schools (iSchools) intended to distribute to internet-capable computers to public high schools, conduct of educator’s training, and provide technical, monitoring and evaluation support during its implementation; (3) eCare centers meant to provide training and online access to Persons with Disabilities (PWDs); (4) eLGU CeCs conceived to boost ICT education of the youth and in turn spur regional development; press improve online access and promote efficient service delivery at the local level; (5) Regional ICT Centers devised to push for regional development; and (6) National Broadband Plan to boost bandwidth capacity to develop ICT. Moreover, the Arroyo administration used the proliferation of the ICT platform to encourage and develop the Business Process Outsourcing.

In addition to ICT programs and projects, the plan identified key pieces of legislation requiring Congressional approval as follows: (1) creation of the Department of Information and Communications Technology (DICT), (2) transforming the National Telecommunication Commission (NTC) into a politically independent regulatory body, (3) passing a Republic Act on privacy and data protection, cybercrime bill, and the freedom of information law (Treceña (2021: 5).

The Aquino Administration

The fourth plan called the Philippine Digital Strategy (PDS) for 2011 to 2016 was drawn up again by the CICT during the administration of President Benigno Aquino III (2010-2016). Compared with the three previous plans, this was more comprehensive in scope largely due to the fact that ICT through the years had increasingly influenced almost if not all aspects of the economy and society. Specifically, the Plan envisioned to apply ICT in key areas of governance, economy, people empowerment, anti-corruption measures, and poverty alleviation with the end in view of transforming the Philippine economy as a competitive force in the global digital arena in 2016.

The PDS, also dubbed as the E-government Master Plan, was implemented by select government agencies headed by the Department of Science and Technology, and participated in by the National Economic and Development Authority, Department of Information and Communication Technology, and Department of Budget and Management. Still, under the same Plan, the flagship project under the DOST named Integrated Government Philippines (iGovPhil) (was formed) to better interconnect government agencies to improve online coordination and government services, thus revamping the quality of governance and citizen participation (DICT & DOST, n.d in Philippine Digital Justice System, 2021: 10).

Complementing the Philippine Digital Strategy (PDS) for 2011 to 2016 was the Philippine e-Government Master Plan of 2012 which was implemented during the remaining four years of the Aquino administration. The main objective of the Master Plan was to formulate and implement e-Government policies in 15 identified projects as follows: “strengthening e-Government security, development of an electronic document and archiving system, government portal, enhancement of government information network, establishing the e-Community center, national disaster, and safety management system, automation of business activities, IT governance development, creation of government integrated data center, construction of the national database, government for the foreign system, the WORK NET, government e-Procurement Services, electronic agriculture systems, and the government enterprise architecture (Treceña, 2021: 6).

The Duterte Administration

The sixth plan called the Philippine Digital Transformation Strategy 2022 (PDS 2022) or E-Government Master Plan 2022 (2016-2022) (EGMP 2022) was prepared by the then newly created Department of the Information and Communication (DICT) in 2016 during the administration of President Rodrigo Duterte. The PDS 2022 It envisioned to promote One Digitized Government anchored on the adoption of whole-of-government approach for services that cut across themes and needed to be performed in simultaneous and coordinated manner by different government agencies and which was made possible through the application of digital technology.

The Plan was based on the 2015 ASEAN ICT Master Plan of 2015 (AIM 2015) where it is anchored on the three pillars and foundations, namely the economic transformation, people engagement, and innovation, and the foundations are infrastructures development, human capital development, bridging the digital divide (Treceña (2021: 6). Specifically for the country, the planned digitalization or otherwise dubbed as e-government aimed to promote “transparency and accountability in governance, efficiency, dexterity in the operations, direct citizen engagement, and a platform for innovation” (Treceña (2021: 6). Moreover, the Plan identified the different platforms by which digital transformation would be applied such as the “social web, user-generated content, the delivery and use of open data, and network effects through more user engagement” (Boughzala, Janssen & Assar, 2015 as cited by DICT, 2019 in (Treceña (2021: 6).

Complementing the PDS 2022 or EGMP 2022 was the E-Commerce 5-Year Roadmap 2016- 2020 which according to the Philippine Digital Justice System focused on selected sectors of the service industry, namely,” wholesale and retail trade, accommodation and food services, and education” (2021: 8). A group of government agencies composed of the Department of Trade and Industry (DTI) as designated head and participated in by the Department of Science and Technology (DOST) and Bangko Sentral ng Pilipinas (BSP) was assigned to develop the digitalization roadmap of the wholesale and retail trade, accommodation and food services sector specifically in the key areas of “infrastructure, investment, innovation, intellectual capital, information flows, and integration” (Philippine Digital Justice System, 2021: 8). On other hand, the development of the digitalization roadmap of the education sector also known as the ICT Information System Roadmap was spearheaded by the Department of Education in 2018-2020. The digitalization roadmap in the education sector focused in the key areas of “teaching and learning, communication, governance planning, and decision-making, and process and operations” (Abanil, n.d. in Philippine Digital Justice System, 2021: 8) with one anticipated output among others, that is, the gamification of education to help the teachers/educators. improve their pedagogy.

The Marcos Administration

The digital transformation framework of the administration of President Ferdinand Marcos, Jr. as anchored on the vision of Ambisyon Natin 2040, a 25-year development plan spanning four administrations. The vision of Ambisyon Natin 2040 states that:

By 2040, the Philippines is a prosperous middle class society where no one is poor. People live long and healthy lives and are smart and innovative. The country is a high-trust society where families thrive in vibrant, culturally diverse, and resilient communities.

The realization of the vision of Ambisyon Natin 2040 rests to a large extent on the efficiency, effectiveness, competence and integrity of the civil service and digital transformation of government systems and procedures, service delivery, financing and budgeting. The Philippine Development Plan 2023-2028 devoted a section on “accelerating digital transformation in government” and it states that (p. 344):

To accelerate digital transformation, the government will strengthen its legal and institutional framework; adopt paperless, cashless, and data-empowered transactions at all levels; and develop civil service capacity for implementation. To this end, the government will pass an e-Governance law to establish an integrated, interconnected, and interoperable information, resource sharing, and communications network to deliver public services. Building up to the legislative reform, the government will ensure the effective implementation of policies and programs such as the adoption of digital payments for government disbursements and collections, DICT’s E-Government Masterplan 2022 on digitalization of frontline government transactions and administrative functions, DBM’s Budget and Treasury Management System, the Philippine Business Hub, DICT’s Integrated Business Permits and Licensing System with LGUs, and the integration of government services into the Philippine Identification System.

The presentation of Civil Service Commissioner Aileen Lourdes Lizada on The Future of Civil Service: The Philippine Country Paper Presentation during the 2023 ACCSM+3 International Symposium with the theme “The Future of Civil Service” in Tokyo, Japan on 27 September 2023 gave us a preview on the implementation strategies on digital transformation being adopted right in the Civil Service Commission (CSC). This section summarized the key points discussed in the presentation of Commission Lizada.

As the primary personnel agency in the public sector, the CSC has the mandate to increase capability and upgrade competency of civil servants. However, the COVID-19 pandemic brought about profound changes and challenges in the workplace that the CSC had to introduce several alternative work strategies including “flexible working arrangements, hybrid work, virtual communication, learning and development interventions, and delivery of services”. The CSC, in particular, has adopted four priority digitalization programs, namely, “online examinations, appointment processing, learning and development, and administrative and quasi-judicial system”. In this year’s civil service eligibility examination, it was evident that the examinees still preferred to take the pen-and-paper test (PPT) who numbered 650,000 compared with 12,000 who took the Computer Examination (COMEX) showing a ratio of 1 COMEX examinee to 65 PPT examinee. Certainly, the conduct of PPT poses some challenges such as the need for a large number of testing venues, limited number of examination proctors and administrators, examination processes and limitations in resources and infrastructures. Given the lopsided ratio, the CSC is planning to review the policies and practices related to the conduct of examinations in the near future.

V. Current Initiatives on Digitalization by Select Government Agencies

This section discusses in brief the current initiatives undertaken by select government agencies on digitalization.

The Supreme Court (SC) in the Philippines

The Supreme Court’s digital transformation strategy basically aims to enable the clients to gain equal access to the justice system by promoting efficient court services, decreased processing and resolution period, and increased collaboration in justice administration. Towards this end, the SC has adopted various information and communication strategies including the “use of artificial intelligence for legal research and other court activities, creation of a judiciary e-library, development and deployment of e-court system version 2.0, and Development of an online learning platform for the Philippine judiciary” (Linkedin, 2022). The implementation of the digitized programs would require rational, stable and systematic guidance which would be provided through the creation of the documents as shown below (Linkedin, 2022).

- Create the Framework for Judiciary Enterprise ICT Governance;
- Create a 5-Year ICT Strategic Plan;
- Create a manual for judicial MIS operations; and
- Create Judiciary Network Infrastructure

Department of Environment and Natural Resources (DENR)

The Department of Environment and Natural Resources is currently transitioning from paper-based government transaction systems and procedures to digital format to improve interconnectivity of data and information between the central and regional offices, enhance service delivery and decision-making processes, and facilitate data collection needed for inspection, tracking, monitoring and recording.

Department of Finance (DOF)

Even before the pandemic, the Department of Finance has already embarked on the digitalization program. Considered as having one of the most aggressive digital transformation initiatives among government agencies, the DOF's efforts has already borne favorable results such as increased revenue collection, improved service delivery, for instance, in online trading and approving tax exemptions, modernized governance strategies, decreased corruption, and strengthened oversight and policymaking procedures.

Bureau of Internal Revenue (BIR)

The Bureau of Internal Revenue is an attached agency of the DOF. Earlier it has embarked on a 10-year Digital Transformation (10X) Roadmap consisting of "improving the taxpayer experience and innovating BIR service processes, improving administration and the BIR's support services, aligning policies to a BIR digital workplace, and enabling the digital backbone of the Bureau". As of 2021, 19 out of 49 initiatives have already been implemented and one of the notable results was the significant increase in the e-submission of tax documents and e-collection of tax payments. Other digitalization initiatives are already in the pipeline as follows:

- E-Appointment
- Tax Clearance for Bidding Purposes (TCBP) and Tax Compliance Verification Certificate (TCVC) Online Applications
- Online Survey Feedback System
- Special Types of Registration
- The TIN Verifier Mobile Application (TIN)
- Asset Information Management Program (AIMP) Phase 2
- Electronic One-Time Transaction System (eONETT System) (Linkedin, 2022).

Bureau of Customs (BOC)

The Bureau of Customs is another government agency attached to the DOF. It claims to have digitized 155 out of 170 processes with a rating of 91 percent. The results were enhanced trade facilitation and transparent service delivery. A recipient of loan assistance from the World Bank, the BOC is planning to digitize the remaining nine percent of its processes by next year. It has recently completed the national action plan to conduct borderless trading purely online and is set to implement it next year.

LandBank (DOF-managed bank)

Landbank's digital transformation objectives include streamlining the processes in the grant of financial aid and generating

trustworthy data to enhance decision-making processes. Some of its digitized processes include the Digital OnBoarding System (DOBS) which allows opening of savings account as well as combining and automating multiple accounts via online, and maintaining online payment platforms. Its future plans include transforming its subsidiary bank, the Overseas Filipino Bank, into a paperless and branchless bank that will serve the interests of the overseas Filipino workers and their families.

Department of Education

In 2022, the Department of Education announced that it would implement the Digital Rise Program the following year. The Program is "an educational framework focusing on infrastructure, software, and the capacity building of learners and instructors in technology" (Linkedin, 2022). It has three components as shown below.

- Digital Literacy curricula intends to incorporate productivity tools for Grades 4-6 students, fundamental programming skills for Grade 7 students, multimedia concepts, video editing and graphics design to Grades 8-10 students, and occupational computer skills to senior high school students;
- ICT Assisted Teaching intends to give instructors equipment, software material, and abilities for everyday classroom instruction;
- ICT Assisted Learning intends to provide access and adaptation using the DepEd Learning Management System (DLMS) and synchronous blended learning (Linkedin, 2022).

To complement the DepEd's initiatives, the Senate is trying to fast-track the passage of two bills. One is Republic Act No. 10929 or the "Free Internet Access in Public Places Act," Another is Senate Bill No. 1565 or the Education in the New Normal Act which supports the creation of a Safe Schools Reopening Plan or the immediate shift from face-to-face to distance learning during emergencies.

VI.Challenges in Digitalization

Low level of development of most government websites

The government agency's official website provides a basic platform by which it can adopt ICT initiatives to serve its public efficiently, effectively and responsively. Likewise, the information and services it offers serves as a link with fellow government agencies, development, business and industry partners, and constituents/public. However, a study conducted by Khalid and Lavilles (2019) and cited by the Philippine Digital Justice System showed that majority of government websites in the country were classified as either in Stage 1 and 2 based on the Four-Stage model developed by the United Nations. According to the maturity level used by the research, the first stage is when the government website is capable of providing basic government information and direct users to other websites, while the second stage refers to websites that can provide one-way or two-way simple communication for citizens--such as downloading forms or applications-- and has a multiple language feature on its integrated media (Khalid and Lavilles 2019 in Philippine Digital Justice System, 2021: 22). The low level of development of a government website implies that the transacting public needs to visit physically concerned government agencies for most of its transactions. This further implies that the transacting public may endure long hours in the government office if the volume of transactions is quite heavy, or repeated visits if the transaction cannot be completed in one day. When the transacting public feels too much inconvenience, it may resort to fixing thus making the entire process vulnerable to corruption.

Inadequate database management system

The repercussion of inadequate database management system was made painfully clear during the height of the pandemic when the Listahan consisting of a list of poor families receiving monthly financial assistance through the Pilipinong Pamilya Pantawid Program (4Ps or Conditional Cash Transfer) was found inadequate to fully account the actual and much larger

number of poor families in the barangays or communities. As a result, the distribution of urgently needed financial assistance to families not included in the Listahan was delayed and the government received so much flak for it. Even until October of 2020, some recipients amounting to 1,260,119 were unable to receive the 2nd half of the cash assistance under the Social Amelioration Program (SAP) (Luci-Atienza, 2020 in Philippine Digital Justice System, 2021: 22). Another example cited by the Philippine Digital Justice System was the inability of most local government units to conduct effective contact tracing of people who may have been exposed to covid patients. As of July 30, 2020, only 0.68 out of 600 local government units surveyed had a “relatively good” contact tracing system, with an average of eight contacts per patient being able to be traced by the local contact tracing team (Gonzales, 2020 in Philippine Digital Justice System, 2021: 23).

The Organization of Economic Cooperation Countries (OECD) identified a number of constraints to digitization including human resource, physical, funding, and other challenges such as legal and regulatory change, cybersecurity risks, and citizen’s privacy concerns (<https://www.oecd-ilibrary.org/sites/822c0d6e-en/index.html?itemId=/content/component/822c0d6e-en>).

Human resource constraints

Scarcity in relevant ICT competencies, skills and talents may lead to agencies not having strategic digitalization plans, concentration of experts in the urban areas where pay is better to the detriment of rural or low income local government, limited ICT training especially to non-experts in the organization due to high cost of training, and non-readiness of the public to access services online. When the latter happens, the OECD cautions government agencies to adapt the digitization program to the level of readiness of the public so as not to ease them out further access to services.

Physical resource constraints

Lack of physical resources in digitalization program refers to the lack of ICT infrastructure highway through which the internet connectivity may be provided. A related issue is the prevalence of inadequate, unreliable and intermittent internet connectivity which disrupts office work, business meetings, classroom teaching, research, training, and the like. In the southern part of the country, the lack or inadequate internet connectivity is exacerbated by intermittent and at times long hours of lack of power supply.

Funding Constraints

Generating funding support for digitalization in a low middle income country like the Philippines is always a challenge as the required resource will compete with other development priorities for approval and allocation. The political leadership must be convinced that the cost required for the establishment, maintenance, upgrading of software program and training of concerned staff may be more than recovered by the benefits.

Legal and regulatory change

Effective and successful implementation of digitization requires a conducive enabling environment provided by the passage of appropriate laws and/or amendments of obsolete or unresponsive laws by Congress. However, just like in seeking funding support, generating the legislative support is like competing for approval vis-à-vis legislative priorities of the members of the legislative body.

Cybersecurity risks and citizen’s privacy concerns

Cybersecurity risk is a serious threat to digitization program and if not addressed by government adequately may fuel apprehension and dissipate support and trust of the public. Even economically advanced countries are not exempt from hacking and cybersecurity theft. Generating and storing data in one platform makes it easy for policymakers and technical

staff to access, process and analyze the data prior to making policy decisions, but on the other hand, renders them vulnerable to hacking and cybersecurity theft unless adequate protection measures are in place. The hacking of the official websites of three government agencies such as the Philippine Health Insurance Corporation (PhilHealth), Philippine Statistics Authority (PSA) and Philippine House of Representatives in September and October 2023 raised doubt on the capacity of government agencies in general to protect the data stored in their respective databases. This calls for government to invest in potent cybersecurity programs to protect the integrity of digitized data and maintain the trust of the people. On the other hand, cybersecurity programs are expensive and may compete with other development priorities of government.

VII. Concluding Note

The implementation of the digitalization roadmap in the country has gone for more than four decades. Various laws and national policies have been issued providing an enabling environment for the digitalization to push through. The occurrence of the COVID-19 pandemic and the subsequent enforcement of lockdowns have compelled government agencies to transition immediately from face-to-face to purely online to continue the delivery of services. They have also enhanced their ICTs not only to widen their online services but also to improve seamless and efficient delivery of online services and in turn increase customer satisfaction. On the other hand, the observation that most government websites which serves as a link between the government and clients, remains at Stage 2 and coupled with other challenges related to human resource, physical, funding resources, among others, limit the extent by which the clients can avail of online services. The civil service has made significant headways in the digitalization of government services but a lot more has yet to be accomplished.

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