THE ACSH
INNOVATIVE
SOLUTIONS
SCHEME

ASSESSMENT
OF HUMAN RESOURCE
MANAGEMENT PERFORMANCE
IN GOVERNMENT BODIES
OF THE REPUBLIC
OF KAZAKHSTAN

Astana, 2017

ASSESSMENT

OF HUMAN RESOURCE

MANAGEMENT PERFORMANCE

IN GOVERNMENT BODIES OF

THE REPUBLIC OF KAZAKHSTAN

Astana, 2017

Author: Saule Aliyeva, State Body Efficiency Evaluation Center under «Economic Research Institute» JSC of the Ministry of National Economy of the Republic of Kazakhstan

Cover photo by Yevgeniy Sheinin

Contents

About the Innovative Solutions Scheme

In 2015, the Regional Hub of Civil Service in Astana launched the Innovative Solutions Scheme aimed at supporting initiatives to modernize the public administration, to improve public service delivery, and to encourage innovation and creativity in public institutions.

The Scheme was elaborated as a tool to identify and assist in replicating the most successful innovative solutions in public administration and disseminate this knowledge among participating countries of the Hub and partnering countries.

The objectives of initiating the Scheme include:

➢ To encourage service to citizens and motivate public servants in the region to sustain the momentum of innovation and improvement of the delivery of public services;

➢ To collect and disseminate successful practices and experiences in public administration to support efforts for improving public service delivery;

➢ To promote, encourage and facilitate networking among institutions and organizations relevant to public administration and strengthen the networks of the Hub;

➢ To enhance professionalism in public service by fostering the successful innovative practice and excellence in public service delivery.

The following themes were selected as priority ones for the Scheme in 2015 a) "Enhancing Service Delivery in Public Education"; and b) "Innovative Methods of Protecting Meritocratic Principles in Selection and Promotion Processes of Civil Servants".

The Scheme implementation in 2016 resulted in six research projects, including the present project prepared by Saule Aliyeva from the State Body Efficiency Evaluation Center under "Economic Research Institute" JSC of the Ministry of National Economy of the Republic of Kazakhstan.

Introduction

The development of human resources management in the state apparatus is one of the areas of administrative reform in Kazakhstan. The Head of State N.A. Nazarbayev, at an open session of the Parliament of the Republic of Kazakhstan in fall 2006, set the objectives of making the state apparatus accountable to the public, introducing corporate governance principles, and ensuring the transparency of expenditures. The current large-scale administrative reform is aimed at providing prompt and high-quality solutions for the pressing daily problems of the local population and achieving a high level of development in the regions of the country and sectors of the economy.

The first institutional reform implemented within the National Plan calls for establishing a modern, professional and autonomous state apparatus. The creation of an institutional environment for the further development of Kazakhstan requires completely new approaches to public administration and civil service development. The effectiveness of transformations in all public areas directly depends on the effectiveness of the state apparatus. The autonomy of the state apparatus from current political processes will make it possible to ensure continuity in implementing government programs and projects.

The civil service plays an important part in the country's modernization process. "The civil service should be a prototype of Kazakhstani society, where everyone has equal possibilities for personal fulfillment based on the principle of meritocracy, independent of ethnicity", noted N.A. Nazarbayev in his electoral program [Nazarbayev, 2015].

A key area for modernization in HR management, according to the long-term development strategy "Kazakhstan 2050", is implementing the meritocracy principle and transition to a career model of civil service.

The availability of **a tool for the objective assessment of the HR management system** is vitally important for implementing the new civil service model.

The annual assessment is meant to track the progress of government bodies in modernizing the civil service and complying with the meritocracy principles. The criteria for such an assessment should be formed based on the main principles of the modernization of the state apparatus and should reflect the results of government activity. Such a system is needed not only to assess achievements and stimulate government agencies, but also to identify "problem areas" of modernization and develop recommendations.

Assessment of the Effectiveness of HR Management in the Framework of the Assessment System

Aims and Objectives for HR Management

The aim of assessing HR management in government bodies is to evaluate the effectiveness of measures for developing and strengthening human capital assets in the civil service system.

In accordance with this aim, the assessment is focused on the following objectives:

➢ analyzing the current HR management situation;

➢ identifying constraining factors in a timely manner;

➢ developing the personnel management system.

The objects of annual performance assessment are:

➢ central government bodies (ministries and agencies, CGBs) and their departments, territorial subdivisions of the central government bodies and departments (except district subdivisions);

➢ local executive bodies (akimats, LEBs) in 14 regions and 2 cities of national significance: Astana and Almaty.

Assessment of the effectiveness of HR management is performed by an authorized government body (the Agency of the Republic of Kazakhstan for Civil Service Affairs and Corruption Control).

Only administrative government employees are subject to the assessment; law enforcement bodies are not assessed.

Foreign Practices in HR Management Assessment

The assessment system was developed and improved based on foreign practices. A short review of foreign assessment systems is provided below; some elements of these were adapted to Kazakhstani realities.

The HR management assessment criteria include [MAF, 2013]:

1. Involvement of government employees;
2. Top management/leadership;
3. Equality in employment;
4. Professional development of staff;
5. Staff performance and talent management;
6. Planning loads and human resources;
7. Recruiting;
8. Use of official languages;
9. Organizational conditions.

First of all, the Kazakhstani assessment model was based on the Management Accountability Framework of Canada (MAF). HR management in MAF includes nine criteria, each of which may be broken down and contains several performance indicators.

HR management assessment is aimed at attaining high productivity, efficient use of human resources and increased staff involvement.

The assessment is conducted using analysis of reporting and the results of a survey of government employees. The survey is performed anonymously every three years. A combined data collection method is applied for the survey. In particular, the respondent is offered both an online survey form and a paper form to send by mail [People Management Performance, MAF]. The survey of government employees makes it possible to study the extent of employees' engagement in all government bodies and identify problem areas in interaction between management and workers.

At present, the MAF assessment system has become a key tool for supervising management structure, making it possible to assess the scope and effectiveness of the work of government bodies. Today, the Management Accountability Framework of Canada is recognized as one of the best-known assessment models, having served as a basis for the application of Canada's practice in many countries. Similar practices have been applied in the countries of the European Union, Great Britain, New Zealand, India and Kenya.

Assessment of government bodies and government sector entities in European Union (EU) member states and EU candidates in the area of HR management is performed under the **Common Assessment Framework (CAF).**

This assessment model was first applied experimentally in EU states in 2000. The model was first revised in 2002, and the CAF Resource Centre was also established at that time. At present, the Common Assessment Framework is widely applied in over 2000 EU government entities. The CAF model calls for appraising an organization on the basis of self-assessment; it is used as a comparative analysis tool in EU government organizations [Common assessment framework, 2008].

CAF is based on two tools:

➢ the EFQM Excellence model, which since 1992 has successfully proven itself in Europe as a tool for measuring management capacity and assessing management effectiveness, including in public administration;

➢ the Speyer model, developed by the German University of Administrative Sciences especially for assessing the quality of government bodies' performance.

CAF includes 9 main assessment criteria and 27 subcriteria;

the main criteria include:

1. Leadership;
2. Staff;
3. Strategy and planning;
4. Cooperation and resources;
5. Processes;
6. Staff performance results;
7. Results for consumers/citizens;
8. Results for society;
9. Key performance results.

The CAF HR management assessment criterion includes the following subcriteria:

1. HR planning, management and development in accordance with the strategy, aims and objectives of the organization;

2. Determining, developing and using staff competences in accordance with their personal needs and those of the organization;

3. Involvement of staff in their own improvement and granting them the requisite powers.

The CAF model has proven itself in Europe as a simple and efficient tool for assessing, analyzing and improving the performance of the entire state apparatus, as confirmed by the experience of over 2000 government and local authorities. A survey of government organizations which apply the CAF model revealed that 90% of them improve their performance based on the results of their self-assessment. CAF is applied not only in EU states, but also beyond. Since the early 2000s the Russian Federation has been actively studying the experience of EU states, which served as the basis for the Concept of the system for assessing the performance of state and local government bodies known as the Effective Civil Service. In addition, CAF served as the basis for the development of a quality assessment model for government bodies of China.

The World Bank Institute (WBI) regularly analyzes the quality and effectiveness of public administration in countries around the world. For this purpose, the Institute has developed an assessment model which evaluates public administration quality using six indicators **(Worldwide Governance Indicators)** reflecting different public administration parameters [Public administration quality].

In accordance with the third assessment indicator, Government Effectiveness, the effectiveness of state governance is evaluated using several indicators, including one for HR management quality in the civil service system. In particular, the following are assessed:

> ➢ the procedure for recruiting and retaining qualified and professional staff;

> ➢ the application of the meritocracy principle in the HR management system;

> ➢ fiscal stability of salary levels in the state sector;

> ➢ performance of top management;

> ➢ degree of professional development of staff.

The Kazakhstani System for Assessing the Performance of Government Bodies

Assessment of the effectiveness of HR management in government bodies is one of the areas of the comprehensive assessment system established by Order of the President of Kazakhstan No. 954 dated March 19, 2010. The system is designed to ensure the implementation of proper management principles (effectiveness, efficiency, openness, accountability) and the improvement of the government planning system, and is an integral part of the public administration cycle.

The assessment system is a feedback mechanism, a dialogue between the state and society, and an important stage in developing a service-oriented state and establishing a professional state apparatus.

The system does not assess policy and decisions, but is rather a tool for improving internal management and government processes. Assessment is aimed at estimating the effectiveness of objectives and functions imposed on government bodies.

Throughout this time, the assessment system was aimed at strengthening the internal processes of state bodies: standardizing and regulating government services, automating functions, increasing budget spending, reducing staff turnover, etc.

As of 2016, the assessment system comprises 5 main areas reflecting the key performance parameters for government bodies:

> ➤ achieving the strategic aims and objectives;

> ➤ budget management;

> ➤ providing state services;

> ➤ **HR management;**

> ➤ applying information technologies.

The assessment model is being revised at present. The new model will comprise three main units: "Achieving strategic aims and budget program indicators", "Organizational development", and "Interaction with citizens".

Assessment of HR management in the new model will be included in "Organizational development".

The Procedure for Assessing the Effectiveness of HR Management

The Kazakhstani Agency for Civil Service Affairs and Corruption Control, together with the Assessment Center, and upon agreement with the Center for Strategic Developments under the Administration of the President of Kazakhstan, annually confirms the assessment procedure.

The main principles of the methodology are:

➢ developing criteria in strict compliance with effective legislation;

➢ a unified approach to assessment of all government bodies;

➢ improving the assessment criteria to achieve results or increase efficiency in a specific field;

➢ continuously updating criteria in accordance with the priorities for improving the public administration system.

The process for preparing methods consists of the following stages:

➢ developing approaches for improving methodologies subject to assessment results and new objectives for government system development;

➢ studying world practices in order to include various criteria and indicators in the methodology;

➢ discussing the draft methodology with government bodies;

➢ approval of the methodology by the Expert Commission.

The authorized body, together with external experts, performs a systemic analysis of international assessment practice. Seminars are held with the participation of foreign experts; assessment experts travel to countries like Singapore, Canada, Australia, the USA, and others to share experience.

The assessment system, as an administrative reform tool, makes it possible to regulate the process of its implementation, concentrating the efforts of government bodies on resolving the most pressing public administration issues. Subsequently, the criteria are not static, but vary in accordance with the current agenda and development trends of the state apparatus.
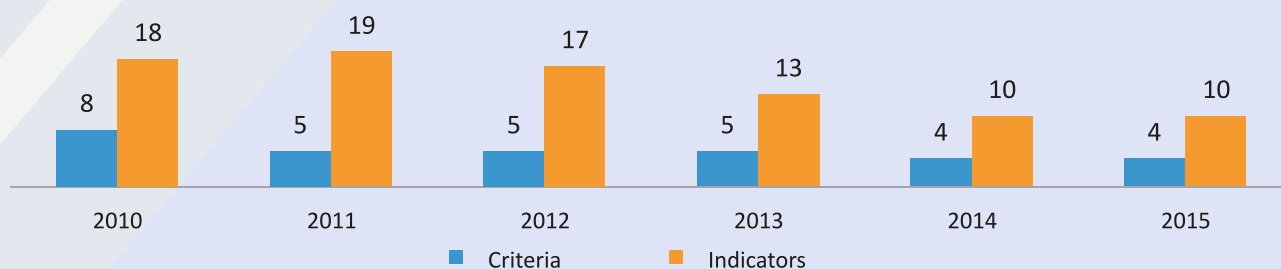
Chart 1.
Number of criteria and indicators
of HR management performance
in government bodies

The Methodology Improvement Procedure

HR management assessment in government bodies has been developing in two areas: organization (procedure) and content.

Improvement of the assessment procedure included the following:

1. Establishing the rules for appealing preliminary assessment results. Clear regulation enabled establishment of an efficient dialogue with the assessed government bodies.

2. Regulation of the procedure for assessing restructured government bodies. Development of rules for assessing restructured or newly established government bodies was necessary when implementing the administrative reform, one of the main points of which is building a compact state apparatus.

3. Establishing a penalty system. The liability of government bodies for the provision of false, incomplete or low quality information and for untimely provision of reporting data was provided for in order to avoid distorted assessment results.

4. Developing a risk management system to determine bodies subject to reverification of reporting data. Practice has shown across-the-board reverification to be highly resource-intensive in government bodies.

Throughout the assessment period, the content of the criteria and indicator system was modified annually. As a result of procedure optimization, the number of criteria was reduced from 8 (pilot assessment) down to 4 (current methodology), and the number of indicators was reduced from 18 to 10 (see Chart 1).

Changes in the methodology were made on the following grounds:

➢ maximum results for the criterion/indicator were achieved;

➢ improvement of indicator calculation procedure;

➢ reduction of reporting forms to reduce the load on the government bodies;

➢ changes to the regulatory legal framework of assessment;

➢ inconsistency of an indicator with the assessment system was revealed following the assessment;

➢ transition from process measurement to results measurement.

Input Data

Assessment of the effectiveness of HR management is based on the following information:

1. Government bodies' statistical data

Statistics sources:

> government bodies' reports according to the appendices established in the Methodology;

> data on staff turnover in government bodies, monitored by the Agency for Civil Service Affairs and Corruption Control;

> data of the Committee for Legal Statistics on holding government employees liable for corruption.

2. Results of reverification of government reporting

Government bodies to be reverified are chosen based on the risk management system [Methodology for determining government bodies whose reporting data should be reverified based on the risk management system]. Thanks to this system, the number of bodies reverified is being reduced to 20%. It takes priority indicators, demerit points previously received and the dynamics of assessment of government bodies into account.

3. Results of the survey of government employees

The survey is aimed at defining the satisfaction level of government staff with their work and obtaining feedback from government employees. Two thirds of government employees take part in the survey annually. 27,700 people were surveyed in 2015.

An annual survey of central and local government employees has been being performed in Kazakhstan since 2011.

The data collection method is an anonymous survey using a short formalized questionnaire in hard copy. The survey is conducted by employees of the body authorized for the assessment.

During the course of the assessment period, the questionnaire was made more complex. For example, the questionnaire for 2010 had only three questions. The questionnaire for 2015 had 19 main questions and 4 additional ones. Questions were grouped into conceptual units.

Government bodies continuously criticize this criterion, since the assessment is based on the subjective opinion of respondents. However, such an approach (survey or questionnaire) is one of the most widely used research methods in world practice, which makes it possible to obtain information about the HR management results directly from employees.

The survey is a quantitative method, which enables the application of mathematical methods for the analysis of results.

The survey results, along with other assessment criteria, facilitate the creation of an aggregate picture of the strengths and weaknesses, deficiencies and prospects of HR management performance in government bodies.

Over the past period, the survey has proved to be effective and indispensible for assessment, serving as a feedback channel for rank-and-file government employees. According to the work satisfaction assessment, the most high-risk areas are the incentive and social security system and career growth.

Analysis of the practice of conducting surveys of government employees demonstrates that the tool's potential is not being used in full. Primary processing of questionnaires is manual, which places a significant load on the authorized body's employees. Manual questionnaire processing substantially limits the questionnaire's content. Manual questionnaire processing forces the authorized body to simplify the research tools to the maximum extent, thus reducing the volume of information obtained and excluding the possibility of in-depth analysis.

Assessment Outputs

Six years of assessment in the area has resulted in a unique data array for use in analytical studies of the HR management system in government bodies. In addition, the assessment process calls for the preparation of a wide range of documents:

1. **Assessment reports** are prepared for every assessed government body and include the calculation of the final assessment, analysis of reporting information for all indicators over time, conclusions and recommendations on improving HR management.

2. **Summary of the assessment results for the area,** which provides summarized assessment data for all key assessment indicators over time, and a comparative analysis of assessment results broken down by government bodies assessed.

3. **Extended summary of assessment results,** containing a deep analysis of all indicators of the methodology broken down by government bodies and a SWOT analysis of HR management performance in government bodies.

4. **Overall assessment conclusions.** Overall conclusions are prepared for every government body assessed containing the summarized assessment results in all fields, including HR management.

5. **An Expert report on HR management performance of government bodies** is created by the Expert Commission, which includes officials from the Administration of the President and the Office of the Prime Minister of Kazakhstan. The expert report includes an overview of assessment results, key achievements and identified problems, as well as instructions following the assessment.

6. **An analytical assessment report** is prepared in two stages. The report on the first stage provides a deep analysis of assessment results. The second stage is aimed at improving the assessment methodology and includes a critical analysis of all identified deficiencies in the methodology and procedures, an overview of foreign practices and specific proposals for improvement.

Section 2. HR Management Performance Indicators and Criteria

Government bodies are assessed according to approved criteria. Every criterion is calculated based on a number of indicators. The list of indicators is revised annually; therefore the same criterion may be assessed by different indicators in different years.

The selection of certain criteria and indicators is determined by the need to accomplish large objectives (for example, professional development of government employees), and resolve operational problems (filling vacancies to optimize the staffing numbers of the state apparatus).

In accordance with changes in the set of indicators and criteria, the weight of certain criteria in the general assessment for the field is modified annually. Changing weight factors makes it possible to emphasize the accomplishment of certain operational objectives without critical changes to the methodology. Let us review the assessment criteria in detail.

Criterion 1. Effective use of Human Resources

Effective use of human resources is one of the most complex HR management assessment criteria. Criterion indicators depend on current assessment objectives. The current methodology is focused on the following objectives:

(1) HR stability at a rational staff turnover level. Staff turnover is a major indicator which indicates the effectiveness of government bodies' HR management policy. Assessment experience has shown a direct link between the staff turnover level and the HR management development level in government bodies.

The indicator stimulates government bodies to retain the most professional employees and ensure an optimal staff turnover level. High staff turnover is a serious threat to the government body's performance, and it affects the performance of both the employees who plan to leave and those who continue to work. Staff turnover impedes the creation of an efficient team, negatively affects the corporate culture, and creates organizational, staff, technological, and psychological difficulties. A significant consequence of unstable staffing is disrupted continuity in government bodies.

Chart 2.
Turnover level, % of average staff size

Staff turnover in CGB and LEB   CGB turnover   LEB turnover

The calculation of the indicator excludes a number of categories of people resigning. For example, those employees who are leaving to take a position in other government body, were promoted or entered the A corpus. It also excludes health-related resignations, layoffs due to restructuring, etc.

Assessment results demonstrated that the highest turnover level is in local executive bodies. For example, only 7.4% central government bodies' employees were replaced in 2015 (see Chart 2). Turnover amounted to 13.9% in local executive bodies. In certain akimats this indicator reached 18-20% of average staff size.

In addition, the indicators track the incidence of "team migrations" in government bodies upon a change in management. A government body is given penalty points if the management turnover exceeds 3% within 3 months after the chief executive leaves.

Assessment on this indicator previously considered the following:

➢ top management turnover;

➢ non-supervisory staff turnover;

➢ average work experience of all employees;

➢ share of non-supervisory staff dismissed after a change in the chief executive.

Calculation of the indicator was simplified during assessment optimization to reduce reporting.

(2) Promotion of employees. This indicator stimulates government bodies to provide career prospects for staff and considers the number of promoted employees. Internal promotions are a motivational tool which stimulates employees to perform better.

Monitoring of the indicator makes it possible to identify systemic problems in strengthening meritocracy. A downward trend has been observed since 2012; the promotion indicator has decreased from 69% to 38% in 2015. The problem is most acute in local executive bodies (see Chart 3).

Strengthening the principle of meritocracy in Kazakhstan is becoming a key trend in public administration. The accumulated empirical data have affected the Law on Civil Service, which calls for internal competition for filling top positions.

The new procedure gives all employees the right to take part in an internal competition for filling the top positions. The criterion will subsequently be excluded as unnecessary.
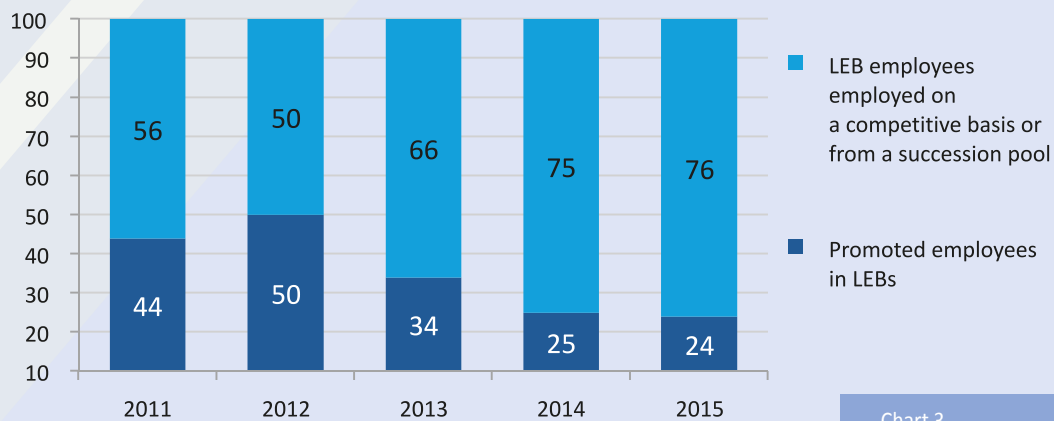
Chart 3.
Promotion of employees in local
executive bodies

(3) Compliance with optimal work/recreation balance. This indicator measures the timeliness of annual paid leave and considers working hours to combat excessive hours.

Excessive hours are measured using electronic access system data. Local executive bodies are not assessed by this indicator, as no electronic access systems are used.

The 2015 assessment revealed the problem of excessive working hours in all central government bodies (see Table 1). Systematic overtime points to inefficient planning and management of the working process. Chronic excessive working hours have an adverse effect on organizational practices: it creates the conditions for bureaucratization of work processes, inefficient meetings and other problems. Over time, regular excessive hours lead to a decrease in performance, not an increase.

Table 1. Excessive work hours in government bodies

No.	Duration of excessive hours	Minutes per one employee per day
1	Average in central government bodies	76
2	Minimum among central government bodies	7
3	Maximum among central government bodies	158

(4) Ensuring quality of human resources. The aim of the "Staff quality composition" indicator is to stimulate management to improve staff quality by recruiting highly skilled employees with academic degrees. It is assumed that the presence of candidates and doctors of science, PhDs and masters on staff will ensure the practical use of scientific approaches to the development and implementation of government policy. The indicator was included in 2015.

The assessment revealed the need to relax the calculation formula. The current methodology allows the maximum score only if all employees in the assessed body possess academic degrees. This condition is excessive, since the high qualification of a government employee depends on professional skills and experience, rather than an academic degree.
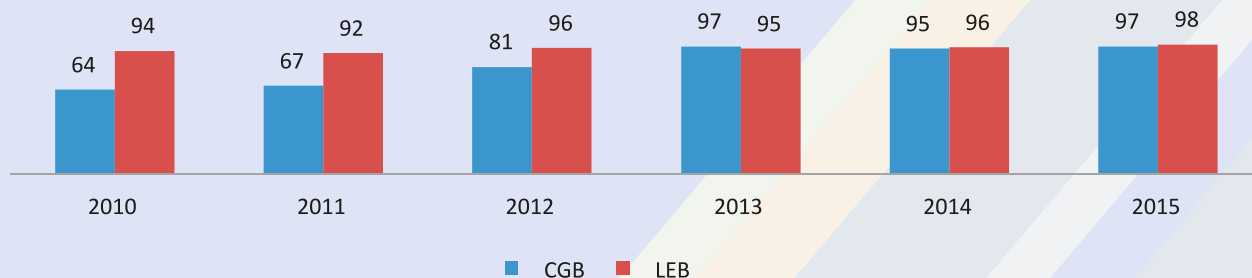
	2010	2011	2012	2013	2014	2015
CGB	64	67	81	97	95	97
LEB	94	92	96	95	96	98

■ CGB ■ LEB

Criterion 2. Training of Government Employees

This criterion assesses the performance of government bodies in the professional development of internal staff through initial and advanced training.

Consistent monitoring of indicators for this criterion made it possible to achieve clear results in professional development of government employees (see Charts 4 and 5). For example, the coverage of CGB employees by seminars increased from 64% in 2010 to 98% in 2015.

Criterion 3. Performance in Corruption Prevention

This criterion is focused on determining the effectiveness of measures implemented by government bodies for preventing corruption. It takes into account the number of government employees subjected to administrative sanctions or convicted for corruption, including those who were government employees in this government body at the time of the corruption offense.

Data on the voluntary publication of individual income and property tax declarations by government executives are also taken into account in calculating this criterion.

Public access to information not only facilitates overall system transparency, but also serves as a catalyst for reform of the system itself. Corruption prevention activities among government employees are of the highest priority among those required for government self-development. Even a single corruption offense adversely affects a government employee's reputation among the public.

Criterion 4. Satisfaction Level of Government Employees

This criterion characterizes government bodies' performance in staff development and motivation.

Data collection for measuring this criterion is performed as an anonymous survey among government employees. Respondents can select a questionnaire in Kazakh or in Russian.
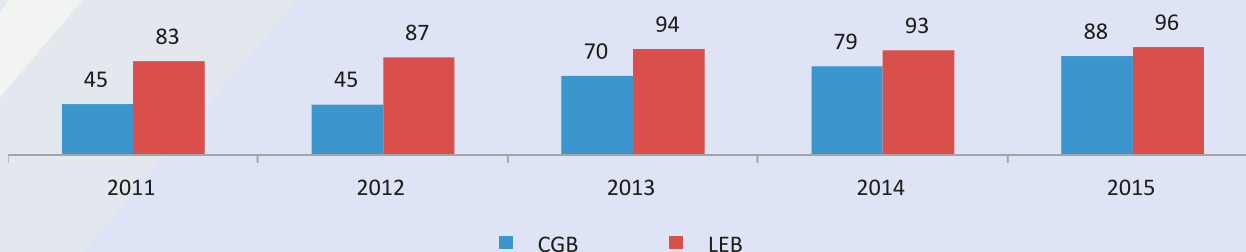
	2011	2012	2013	2014	2015
CGB	45	45	70	79	88
LEB	83	87	94	93	96

■ CGB ■ LEB

Questionnaire on satisfaction of government employees, 2016

Units	Statements
1. Staff involvement in the government body's activity	1. I understand the aims of my job in this government body (in my position) 2. My opinion is considered in important management decisions 3. I have good relations with most of my colleagues
2. Satisfaction with the incentive and social security system	4. My government body applies non-financial recognition measures (awards, letters of recognition, certificates of acknowledgement, honor board) 5. Bonuses motivate me to improve performance 6. My salary and bonuses are sufficient for my family and me
3. Satisfaction with career growth potential	7. I apply my knowledge and experience in full in my work 8. I believe I have potential for promotion 9. Working in my government body is prestigious
4. Satisfaction with the labor management	10. I work after hours and/or on weekends 11. Work in my department is allocated equally among employees 12. I'm planning to transfer to the private sector
5. Satisfaction with the recruiting procedure	13. I completely trust the competitive selection procedure in recruiting 14. I believe that the head of the subdivision has the most influence on recruiting and staff allocation 15. I think that the current competitive selection procedures provide transparency and openness when one is entering civil service
6. Satisfaction with the staff assessment system	16. I think that the assessment considers my professional and personal qualities 17. I think that promotion decisions are based on the results of assessment of government employees
7. Satisfaction with the training system for government employees	18. I believe that the topics of professional development seminars / advanced training courses correspond to the aims and objectives of the government body and my work profile 19. I obtained practical skills and knowledge at a professional development seminar or advanced training course, and I apply them in my work

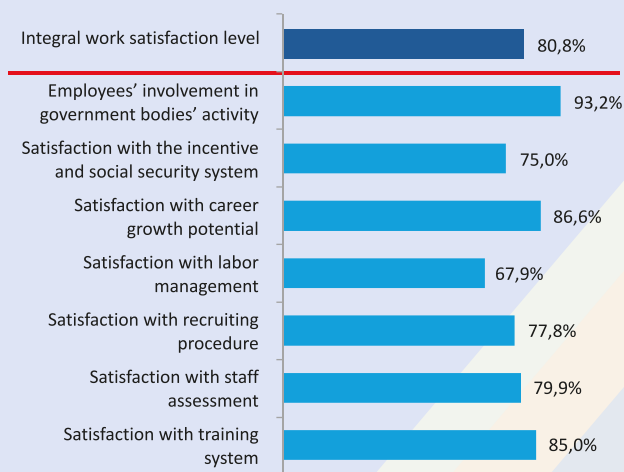|	
Integral work satisfaction level	80,8%
Employees' involvement in government bodies' activity	93,2%
Satisfaction with the incentive and social security system	75,0%
Satisfaction with career growth potential	86,6%
Satisfaction with labor management	67,9%
Satisfaction with recruiting procedure	77,8%
Satisfaction with staff assessment	79,9%
Satisfaction with training system	85,0%

Chart 6.
Work satisfaction among government employees

In 2015, 19,739 central government employees took part in the anonymous survey, which amounts to 63% of the total number of employees subject to assessment. The integral satisfaction level amounted to 80.8% (see Chart 6).

This criterion is based on seven indicators, which include the assessment of employees' involvement and their work satisfaction according to six parameters.

The highest satisfaction level is observed with regard to staff training and career growth potential provided by government bodies. The lowest satisfaction level is observed in the assessment of incentives and management.

Among previously used criteria and indicators, **"Recruiting procedure"** may be noted. The criterion included assessment of the performance of government bodies in staff recruiting, determination of staff selection transparency and objectivity, and the priority ranking of different selection methods. In 2014, the indicator was excluded from the assessment procedure. The new version of the Law on Civil Service, which regulates the civil administrative service employment procedure, minimizes the possibility of recruiting by other means (for example, by transfer). In addition, the assessment results for the previous year showed that government bodies have a high score on this criterion, which confirms their maximal effectiveness and makes further assessment by this criterion inexpedient.
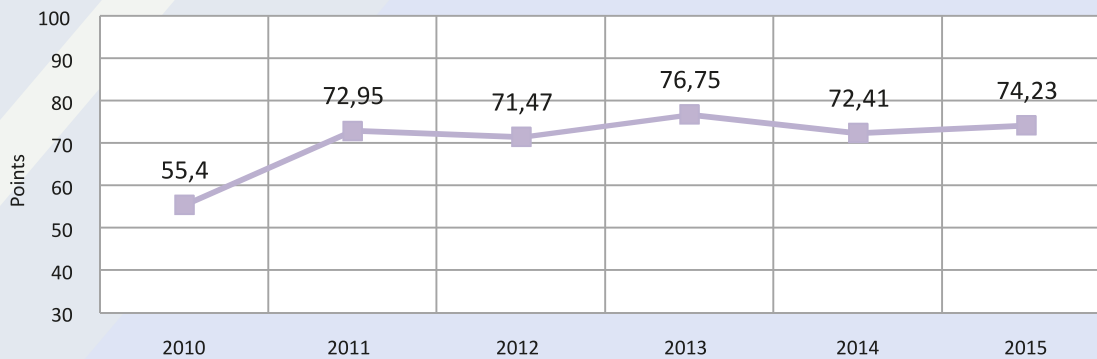
Section 3. The Effect of Assessment on Public Administration

Results

In general, assessment has proved effective in diagnosing problems in civil service. Part of these problems were solved promptly by improving management processes; others require further work.

Gradual optimization and **the increased effectiveness of internal processes** are indicated by the progress of the average assessment score. The average score for six years has increased from 55.4 to 74.23 out of 100 (see Chart 7).

The following scale is used to interpret the results:

1. **90-100** points – high effectiveness of HR management;
2. **70-89.99** – average effectiveness;
3. **50-69.99** – low effectiveness;
4. under **49.99** – inefficiency HR management.

In 2015, only 3 out of 12 CGBs and 4 out of 16 LEBs demonstrated low effectiveness in this area, which is 21% of government bodies (see Chart 8). In 2010, 70% of assessed government bodies were found to have low effectiveness levels, and 28% were ineffective. Throughout all assessment years, no government bodies have been found to be highly effective.

Inclusion of penalty points in the methodology for exceeding 3% turnover of top management after the chief executive leaves made it possible to **limit "team migrations".** In 2011, team migrations were noted in 12 government bodies, in 2015 – only in 1 (see Chart 9).

An important result of assessment was the improvement of the staff professional development process. For example, the **training coverage of employees with advanced training courses and professional development seminars has increased significantly** during the assessment years. While in 2010, 64% of government employees visited professional development seminars, in 2015 97.2% did so (see Chart 10).

The practice of voluntary publication of income and property tax declarations by the heads of government bodies is becoming widespread. In 2014, 57.3% of top management employees published their declarations, and in 2015, 71.9% did so. Local executive bodies
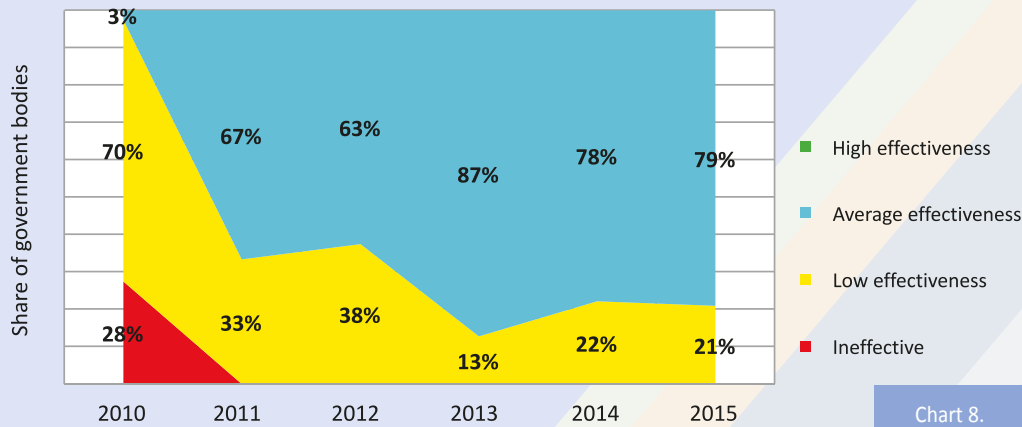
Chart 8.
Share of government bodies
by effectiveness categories

have demonstrated the greatest progress. All top management employees have published their declarations in 7 out of 16 akimats. This is important in ensuring transparency of government bodies and increased public trust in government employees.

Impacts

The most important effect of assessment is its impact on **subsequent administrative reform.**

The assessment demonstrated **the ineffectiveness of the then-current incentive system for government employees**. In 2010, high staff turnover was typical for government bodies with a large number of vacancies (one third of government bodies). Furthermore, the bonus fund created for such vacancies was equally distributed among employees, independent of assessment of their workload and job performance. This significantly reduced the motivation of competitive staff. The opposite trend was observed in state bodies where bonus payment was associated with assessment of employees' performance. Work satisfaction among employees in these bodies was 5 times higher, and the turnover was 2-3 times lower than in low-performing government bodies.

Monetary incentives have proved to be most problematic, as expected. In 2015, only 46.6% of surveyed employees responded that their salary and bonus payments were sufficient for maintaining their families. However, 90.5% of employees were satisfied with non-financial recognition measures.

One of the systemic problems of civil service revealed by the assessment is the **unequal workload** of government employees. This is indicated by systematic failures to comply with labor standards, which reduces motivation among employees. In 2015, excessive working hours were observed in all assessed ministries. According to data from electronic access systems, excessive hours average 1.3 hours a day per person. Excessive hours exceed 1 hour per day in 8 out of 12 government bodies. Minimum excessive work time per one employee is 7 minutes a day, maximum is 2 hours 38 minutes a day.

In-depth analysis of electronic access system data has confirmed that excessive hours in civil service are unequal, and certain employees are overemployed. During the survey 18.1% of government employees mentioned unequal labor distribution and 47.2% of employees mentioned overtime work.

According to the National Plan "100 Specific Steps for Implementing Five Institutional Reforms", the new performance-related remuneration system should solve the problem of the effectiveness of motivation among government employees. Such systems are widespread in OECD countries [Performance-related Pay Policies for Government Employees, 2005]. A transition to a point-factor scale, depending on an employee's contribution to results, is planned in time.

The ineffectiveness of the monetary incentive system confirms the low level of staff stability. The staff turnover in some government bodies reaches 20% of average staff size. Some akimats note a high staff turnover level among employees recruited to government service for the first time, which points to the unattractiveness of the state as an employer.
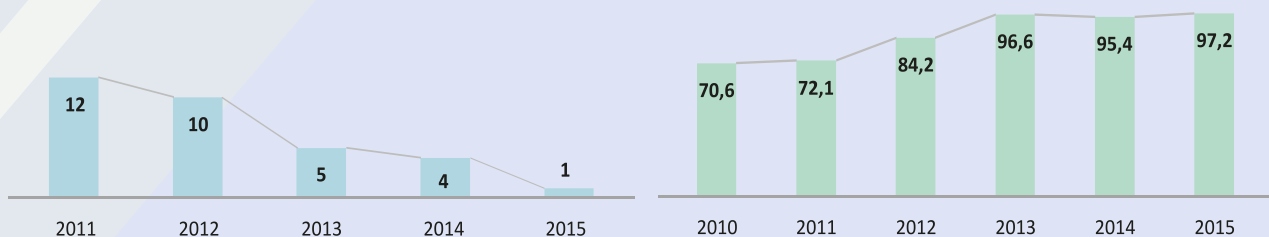
2011	2012	2013	2014	2015
12	10	5	4	1

2010	2011	2012	2013	2014	2015
70,6	72,1	84,2	96,6	95,4	97,2

The assessment has confirmed **the significance of the meritocracy principle for efficient HR management**. Maintaining HR stability depends on a number of factors, including remuneration level, career prospects, and the prestige of civil service. The effect of these factors is compensatory in nature. For example, if employees have good career prospects, despite dissatisfaction with remuneration among employees, a government body can maintain optimal HR stability.

The Law of the Republic of Kazakhstan On Civil Service, dated November 23, 2015, provides for a new system for filling top vacancies. In particular, it provides for internal competitions among government employees, thus increasing their career prospects. The new procedure is designed to strengthen the meritocracy, ensuring that government employees gradually pass through all career stages.

The new law strengthens the role of the Agency for Civil Service Affairs and Corruption Control in staff recruiting and promotion. The competition to fill vacancies now includes three stages, the first two of which are performed by the Agency: (1) testing for knowledge of legislation, (2) assessing personal qualities and the presence of basic competences, (3) competitive interview in the government body. In order to increase the transparency of competition, the third stage (competitive interview) provides for the presence of independent observers.

Accumulated assessment experience was applied in developing the integrated information system "E-Qızmet". The **automation of HR management services** is supposed to significantly improve data collection and processing and facilitate the improved performance of HR services. The automated HR procedures will make it possible to exclude a number of process indicators, thus providing the management of government bodies with an effective process monitoring tool.

In addition, we should note the influence of assessment on the professional development system among government employees. Assessment focused on the topics of professional development seminars, their practical applicability and their appropriateness to the field of government bodies. This resulted in **stronger interaction of regional government employee training centers with the Academy of Public Administration under the President of the Republic of Kazakhstan** in terms of training method development.

Section 4. Prospects for the Development of HR Management Performance Assessment

New Conditions

Further development of the assessment system will take place as part of the implementation of a large-scale plan of institutional reforms. 15 of the 100 steps of the National Plan are devoted to improving the state apparatus. This document provides for a number of systemic changes in civil service in order to strengthen the principle of meritocracy.

First, a transition is taking place from the positional model to the career model of civil service. The recruiting mechanisms provided for by the new Law on Civil Service are aimed at government employees gradually passing through all management stages.

Second, the approach to labor remuneration is being completely revised based on a point-factor scale. A gradual transition to a performance-related remuneration system is planned, which is meant to be an effective tool for motivating government employees. The salary of each employee will depend on the complexity of his/her work, his/her responsibility level and contribution to the target indicators.

New Goals

At the first stage, assessment was mainly focused on work processes. This has motivated government bodies to optimize their working processes. Measuring the final results of public administration has become a key trend in recent years. Process indicators for which government bodies received the highest scores were excluded. The results of the assessment system allow us to conclude that the initial goal of building internal processes in government bodies has practically been achieved.

The next stage of development is the transition from assessment of processes to assessment of results. Focus on performance indicators should form the basis of the new assessment model.

The transition to results assessment will make it possible to publish the results of assessments which are of public interest in the mass media.

Such an approach both meets the requirements of the modernization of public administration and has an important sociopolitical effect. The end goal of assessment is not only to improve public administration mechanisms, but also to make government bodies accountable to the public and to increase public trust in government bodies.

The reformation of the assessment model calls for the maximal simplification of assessment procedures and a shift of focus from processes to results. At present, the possibility of focusing the assessment on analysis of employee engagement is being considered. An adaptation of the experience of Gallup Q12 seems to be the most promising. The Gallup method of studying involvement is aimed at 12 key work expectations.

Assessment of employee engagement will make it possible to:

➢ concentrate on assessment of results for an employee, reducing interference in internal processes;

➢ significantly reduce reports used for assessment;

➢ assess HR management quality and employees' enthusiasm as a result of this process;

➢ develop practical recommendations;

➢ assess the progress of government bodies in this field;

➢ increase the objectivity of assessment while reducing the dependence on environmental factors (for example, now a government body's grade decreases significantly in the case of its restructuring due to recruiting for top positions on a general competitive basis).

The advantage of such an approach is its adaptability. For example, a small questionnaire can be supplemented with questions on the reform implementation process, gradually including questions on HR policy, work results appraisal, and implementation of the point factor scale.

Proposed involvement questionnaire

Units	Statements
Question: "Do you agree with the following statements? Tick the agreement level from 1 to 5, where 1 means you completely disagree, and 5 means you completely agree"	
Units	**Statements**
1. Primary needs	1. I know what is expected of me in my job
	2. I have all that I need to do my job
	3. I understand how my work contributes to the strategic plan of my government body
2. Management support	4. I am able to do what I do best on a daily basis
	5. I have been praised for a good job for the last seven days
	6. My manager cares about me as a person
3. Teamwork	7. My opinion is taken into account at work
	8. The objectives set for the government body help me to feel that my job is important
	9. My colleagues feel it is their duty to do a good job
	10. One of my good friends works here
4. Growth	11. I have had a conversation about my progress at work within the last six months
	12. I have had training and career growth possibilities during the past year
5. Meritocracy	13. My government body employs talented and skilled employees
	14. Worthy employees are promoted in my government body

The new model of assessment will preserve two indicators which were used earlier: (1) staff turnover and (2) actual working hours. Procedures for measuring these indicators have been modified in the new draft methodology. In particular:

1) It is proposed that the number of personnel leaving civil service be measured. Employees resigning in connection with retirement or with entering the private sector, quasi-state organizations or budgetary organization will be counted when calculating the score. In its updated form, the indicator will be a tool for measuring the maintenance of staff stability.

2) Considering the difficulties in measuring the actual hours of work in local executive bodies, assessment of akimats will be based on the results of employee surveys. In its updated form the indicator will evaluate the presence of unpaid overtime work in state bodies.

Another innovation is assessment based on the criterion «Strengthening meritocracy.» The criterion is a combined one and includes both questionnaire data and reporting data. In the survey, employees will assess the agency's policies on hiring and promotion of employees. Reports will provide data on the participation of independent observers in competitions.

New Technologies

New technologies include the automation of the process of surveying government employees.

Presently, there is a need to improve the format and methods for surveying government employees. The relevance of such a feedback mechanism is increasing in the context of large-scale civil service reforms. Analysis of the current survey procedure revealed some deficiencies:

- ➢ incomplete control over primary data collection;
- ➢ no guarantees of survey anonymity;
- ➢ manual data processing;
- ➢ limited questionnaire content.

The reason for the problems above is surveying using self-completed paper forms. At present, the automation level of surveys is still low. All questionnaires are on paper and manually processed. Computer technologies are applied at the last stages of data analysis. Forms are processed at the place of the survey by the authorized body, its territorial subdivisions in 16 regions and Assessment Center employees. The large number of employees engaged in processing complicates unification; therefore the database provides only the final response distribution for the assessed bodies.

These problems can be solved by transitioning to innovative data collection methods and modern online technologies. The automated procedure calls for the online surveying of government employees. The automated data collection and processing procedure will make it possible to take full advantage of surveys of government employees as an assessment tool by:

➢ increasing coverage of the survey target group,

➢ increasing the reliability of results,

➢ ensuring respondent confidentiality,

➢ reducing the load on the authorized body's employees when collecting and processing data,

➢ increasing data quality,

➢ enabling deep analysis of the situation in the field of HR management.

Conclusions and Recommendations on Using Kazakhstan's Experience

Analysis of the practice in Kazakhstan has demonstrated the effectiveness of performance assessment as **a tool for motivating government bodies towards improvement** in HR management. The effect has been achieved despite the advisory nature of assessment, the absence of penalties for low scores and the closed nature of the System.

In the future the stimulating effect will increase, since further development of the System calls for the results to be published in mass media.

Assessment has not only enabled the improvement of internal processes, but has also focused government bodies' efforts on priority tasks, such as professional development of staff and increased openness of activities.

A significant data array on the processes of human resource use was accumulated, summarized and interpreted.

HR management assessment played a big role in the objective diagnostics of the systemic problems of civil service whose solution required the revision of legislation in this field.

Assessment of HR management contributed to the **development of an assessment and accountability culture** in public administration. At present, government bodies see assessment as an integral element of public administration.

The ambitious aims of the "Kazakhstan 2050" Strategy and the unstable economic situation require the quality development of civil service human capital assets. Government bodies should compete effectively for highly skilled employees. This is especially relevant for local executive bodies in the context of the gradual decentralization of public administration.

Qualitative changes called for by the reform program require the revision of approaches to assessment. The new model should answer the question: "Why does a government body achieve or fail to achieve its aims?" In the future, a shift of focus to the **assessment of results for an employee**, which can be assessed within a survey, is planned. This will make it possible to develop management of government employees' involvement, which could potentially affect performance.

Today Kazakhstan is transitioning to a new stage in civil service development. The focus is shifting from correcting internal processes to HR management results. The expected result is the building of a professional autonomous state apparatus.

The automation of the public administration process provides great opportunities. An automated HR record keeping system will both reduce internal document flow and provide the government management with tools for the continuous monitoring of internal processes. Automating part of the processes will allow HR departments in government bodies to focus on staff development with modern HRM tools, rather than on maintaining documents.

Based on Kazakhstan's experience, **several recommendations may be made for implementing an HR management assessment system in civil service.**

1. It is important to keep assessment of procedures separate from assessment of results in HR management. However, both approaches are equally important. While the results of effective HR policy (usually) are the increased quality and performance of staff, assessment of procedure clearly demonstrates the organizational level of HR management and the implementation of HR management reforms.

2. Assessment implementation should be preceded by the determination of priority aims and objectives which government bodies should focus on, and assessment criteria and indicators should be based on these.

3. Aims should be achieved sequentially. For example, government bodies cannot focus on the end results without first building internal (primary) business processes.

4. Indicators should be achievable for government bodies. For example, a government body cannot affect staff salary satisfaction if the salary of government employees is determined centrally according to a common pay scale.

5. In developing the assessment methodology, the reporting indicators should be supplemented with survey indicators, making it possible to "see the people behind the numbers". The results of surveys of government employees can serve as the basis for an analytical report.

6. The anonymity of the survey procedure is critically important. It can be ensured by two methods: (1) performance of the survey by a third party, (2) automation of the survey.

7. It is important to ensure the objectiveness of assessment. A uniform approach to all assessed government bodies should be ensured when developing the assessment methodology and conducting assessment activities. Indicators should be as universal as practicably possible and applicable to various government bodies.

8. When developing the assessment methodology, accessibility of reporting data should be considered. A large number of assessment reporting forms will create a large load on the assessed bodies. Complex data summarizing (for example, manual processing of electronic access system data) will lead to technical errors and a distorted picture. Ideally, most information should be available from information systems, thus enabling automated data collection.

9. Motivation to increase effectiveness should be developed. Thus, the heads of government bodies should be personally liable for the assessment results. Assessment ratings have great motivational potential for government bodies.

10. Feedback is necessary for effective assessment; this should be built as a dialogue between the assessor and the assessed. To obtain feedback, we recommend holding mediation committee meetings with the involvement of the assessing and assessed government bodies before announcing the final assessment results.

References

1. Common Assessment Framework (CAF). Translation and adaptation into Russian: Maslov D.V., 2008. URL: http://www.eipa.eu/files/File/CAF/Brochure2006/RUS-CAF-2009.pdf

2. Methodology for Determining Government Bodies Whose Reporting Information Should Be Reverified Based on the Risk Management System. URL: https://egov.kz/cms/ru/law/list/V1500010349

3. The Methodology of the Management Accountability Framework of Canada. Astana 2013.

4. Nazarbayev, N.A. The Modern State For Everyone: Five Institutional Reforms. Electoral program of the candidate to the Presidency of Kazakhstan N.A. Nazarbayev URL: http://www.kazpravda.kz/articles/view/sovremennoe-gosudarstvo-dlya-vseh-pyat-institutsionalnih-reform1/

5. People Management Performance. URL: https://www.tbs-sct.gc.ca/chro-dprh/pmp-rgp-eng.asp

6. Performance-related Pay Policies for Government Employees. OECD Publishing, 2005

7. Worldwide Governance Indicators. URL: http://gtmarket.ru/ratings/governance-matters/governance-matters-info

For notes

The Regional Hub of Civil Service in Astana (ACSH), an initiative of the Government of Kazakhstan and United Nations Development Programme, was established in March 2013 by 25 countries and 5 international organisations. It receives financial and institutional support from the Government of Kazakhstan and it relishes the backing of UNDP as the key implementing partner.

The ACSH is a multilateral institutional platform for the continuous exchange of knowledge and experience in the field of civil service development, aiming at supporting governments in the region through fostering partnerships, capacity building and peer-to-peer learning development activities; and evidence-based solutions, informed by a comprehensive research agenda. The geographical range of participants stretches from the North America and Europe, through the CIS, the Caucasus and Central Asia to ASEAN countries, demonstrating that partnership for civil service excellence is a constant and universal need for all nations.