

Chapter 3.

The skilled civil service of the future

This chapter presents a synthesis of the main findings of the earlier chapters, and considers lessons that can help guide civil service reform efforts aimed at advancing professional, strategic and innovative civil services. The chapter suggests the models, data and examples presented in this report show OECD countries are beginning to take steps towards updating their employment frameworks, but no guidance exists at an international level. The chapter discusses how developing the insights in this report towards an OECD recommendation on public employment will help guide countries on the investments needed to make their civil service fit-for-purpose in the twenty-first century.

This report has looked at the skills needed in OECD civil services to build and protect public value by considering four areas where the civil service interfaces with the public: 1) developing policy advice with elected representatives of the public; 2) delivering services directly to citizens; 3) commissioning services for citizens through business type contractual relationships with third party entities; 4) and managing through networks where civil servants collaborate with different organisations in the public, private and/or third sectors. None of these areas are new, but each has been changing, driven by three interrelated drivers:

1. **The complexity of policy challenges:** The multidimensional nature of many of the persistent and emergent economic, social and environmental problems the public sector is called upon to address demand a joined up systemic perspective. Simultaneously, the volatile, unpredictable nature of policy challenges and their environments requires fast responses. This demands governments that are nimble and agile, able and ready to learn as they go, and can adjust paths and approaches based on this learning.
2. **Digital transformation and future of work:** Digitisation transforms society at an increasingly fast pace. Citizens increasingly expect civil servants to be networked and digitally capable. This also affects the nature of civil servants' work. The potential of digital technologies to inform and transform the way policy, service delivery and government operations are run is enormous and currently at very nascent stages. From a human resource (HR) perspective, technology has likely reduced the number of low-level clerical jobs in the civil service and is beginning to change the organisational structure from the traditional pyramid shape into a diamond, where fewer lower level positions exist and the majority of employees are mid-level knowledge workers. These changes also emphasise a new way of working at the middle and top layers of the hierarchy – one that emphasises leveraging new technological advances to better understand citizens, customers, and/or users of services in order to improve service delivery and public value creation.
3. **The changing demographics/plurality of modern societies and the civil service workforce:** The ageing of society and, in many countries, the civil service workforce, suggests challenges and opportunities. Many OECD civil services will face a significant degree of retirement in the coming years, which presents challenges to managing knowledge and skills transfer, but opportunities for renewal. Many of those retiring will be replaced (although likely in fewer absolute numbers) by a new generation of employee – digital natives who have different expectations regarding the nature of work and the workplace. Managing this transition requires a forward looking and strategic orientation. Replacing the retiring workers with workers of the same ability will miss the opportunity to effect long-lasting modernisation. At the same time, societies are becoming increasingly diverse and pluralistic. OECD civil services that consider diversity a benefit to their civil service stand much to gain by ensuring planning is done now to replace the retiring workforce with one that has the skills, diversity and mindset ready to innovate the civil service into the future.

This report has presented an analysis of the changing skills needed in the civil service to respond to these challenges and the management systems required to ensure the right people are attracted, developed and put to best use in OECD countries' civil services. This places a focus on strategic HR systems that are essential for developing a civil

service that is fit-for-purpose and has the capabilities to adhere to the range of recommendations from the public governance communities of the OECD. It is essential that human resource management (HRM), management and leadership promote capability to effectively advise and implement, to work in horizontal and agile ways to be more effective and productive, and to constantly change and adjust to changing needs and contexts. Key lessons include the following:

- Change is constant and the skill sets of civil servants need to become more nimble, agile, and adaptable. Looking at the four skills areas of policy making, citizen engagement, commissioning and network management helps to map these changes and look to the future.
- The capacity and capability of the civil service workforce is fundamental to the success of all public policy and reform. Investing in the right skills and capabilities of the workforce will improve public governance and the functioning of public systems across the sector.
- Emphasising capabilities recognises public employees are not homogenous or mutually interchangeable. Maximising impact requires a view of the workforce that is not only driven by numbers and cost, but by the skills and expertise required by the job. This includes management that holds managerial skills.
- Data and evidence can be a powerful source of insight to understand current workforce capabilities and gaps. Investing in a data driven approach to civil service management promises significant potential, but requires a smart approach to implementation.
- Attracting a greater diversity of skills into the civil service will require strategic thinking regarding the employer value proposition and market segmentation. Targeting graduates from specific programmes and ensuring employer branding is aligned with the interests of those graduates is essential.
- Supporting a learning culture in the civil service will ensure the workforce is consistently capable of renewing skills and keeping up with the fast-changing nature of work. This means investing in learning opportunities for all staff and developing career paths that emphasise learning throughout the career. Managers' responsibility to develop their employees is critical.
- Ensuring civil service organisations are ready to put these skills to work is essential to drive value from the investments described above. Building networks, managing mobility and centralising some functions can help. However, it is ultimately a management task to engage employees and ensure they are provided the right opportunities to use their skills and drive change in their organisations and for the public they serve.

A professional, strategic and innovative civil service

The OECD strives to support countries to make evidence-informed investments that can boost the capacity of their civil service. Identifying principles that can underpin these decisions will support OECD governments to design and implement civil service reforms that take into account capacity and capability, and balance short-term pressures with future-oriented foresight to ensure sustainability over the long term. This involves looking at the characteristics of the civil servants, the systems that manage them, and

their leaders. This leads to the following framework (Table 3.1), which can help guide the development of these principles.

Table 3.1. Towards a professional, strategic and innovative civil service

	Professional	Strategic	Innovative
Needs civil servants who are:	<ul style="list-style-type: none"> • Qualified • Independent • Values driven • Ethical 	<ul style="list-style-type: none"> • Outcomes driven • Evidence based • Future oriented • Proactive • Networked 	<ul style="list-style-type: none"> • Iterative • Data literate • Citizen centred • Curious • Storytellers • Insurgent
In a civil service which is:	<ul style="list-style-type: none"> • Merit based • Capable of integrating soft skills, ethics, talent management (future potential vs. past performance) • Able to structure the right balance of generalist and specialist professions and career paths 	<ul style="list-style-type: none"> • Agile • Attractive to skilled job seekers • Planned and managed to ensure the right skills and competencies are effectively allocated to areas of current and emerging need • Future oriented and responsive 	<ul style="list-style-type: none"> • Open and collaborative cultures, leadership and management • Engaged • Autonomous (e.g. work design) • Mobile • Diverse • Learning oriented
Led by SCS who are:	<ul style="list-style-type: none"> • Trusted policy advisors and effective transactional managers 	<ul style="list-style-type: none"> • Transformational leaders, change managers 	<ul style="list-style-type: none"> • Collaborative leaders and adaptive managers

Source: Author's own design.

...requires civil servants who are...

Professional civil servants are independent from direct political control and driven by a common set of values that emphasise an ethical orientation to the public good. Professional civil servants also have objective qualifications. Traditionally, this meant economists, lawyers, statisticians, and political scientists, but the recognition of the need for more multi-disciplinarity brings in new skills sets, such as designers, data scientists, policy historians, and foresight experts. Recently, many OECD countries have been working on reinforcing the professional nature of the civil service, as well as giving thought to a civil service of professions – meaning how best to structure different specialisations within civil services which have tended to produce and value broad generalist orientations. This leads to discussions regarding professionalising functions, such as HR, ICT, or procurement. Although the concept of professionalisation has tended to be unifying with a view towards common civil service standards, ethics and culture, a professional civil service in the 21st century may also be increasingly diverse and fragmented in terms of backgrounds and skills.

Strategic civil servants are those who can use their professional skills to create impact and improve public value for their citizens and clients. They are proactive problem solvers capable of collaborating across their diverse professional skills and competencies. They are future oriented and evidence based, capable of taking risk-based approaches and integrating resilience to face of a range of possible future scenarios and outcomes. They are networked – able and ready to draw on a range of research, insight and experience beyond their own spheres to inform policy ideas and service delivery

outcomes. A strategic commissioner is able to use the tools of commissioning to produce impacts not only for the one service they are commissioning, but for society as a whole. Strategic citizen engagement leverages the tools of consultation and collaboration to generate insights that produce better services, as well as builds community consensus and ownership that ensures sustainable services into the future.

Innovative civil servants can draw on six core skills areas to innovate the tools of government themselves. They are able to approach their work in *iterative* ways that generate learning and adaptation over time. They are aware of the potential of *data* and structure projects that can collect and use data to inform and drive change. They are *citizen-centred* – able to use a broad set of tools and methods to interact with their stakeholders and direct beneficiaries to understand their reality and design a service that meets their needs. They are *curious*, searching out opportunities to expand their own knowledge and understanding, looking at solutions from other sectors or policy fields and translating those to their scenarios. They are *storytellers*, ready to leverage a range of tools to communicate with various stakeholders in ways they can understand and engage with. Finally, they are *insurgents* – ready to understand how to effect change in the systems within which they work, able to know when to push, how to negotiate, fight and/or compromise.

...working in civil service systems which are...

Chapter 2 of this report looks at how OECD civil services are managing the changing skills needed in the public sector. There needs to be a view of the changing nature of the work undertaken in order to identify the skills required and existing gaps to be filled. Existing gaps need to be addressed by either buying skills in from the market or by developing them within the existing workforce. Skills need to be used by organisations and managers who are fit for purpose. The professional, strategic and innovative categories discussed above may suggest particular focuses for HR reform, one building on the next.

If **professional** civil servants are the foundation of effectiveness and capacity, then merit systems are the managerial foundations. Most OECD countries have a long-established merit-based system with clearly articulated qualifications and transparent and open processes. However, many of these systems may be experiencing some strain to keep up with the needs of the professional civil service in the 21st century. For example, are they able to incorporate many of the new skill sets related to, for example, design, data science, or behavioural economics? Are they able to assess behavioural competencies included in most civil service competency frameworks, or ethics and integrity? Are they effectively assessing and managing the future potential of employees, or only their past performance? Are they able to provide for structured career paths that ensure civil servants can build skills in their area of expertise and grow in their jobs?

Strategic workforce planning requires a vision to the future and a focus on workforce quality and competency, not just numbers and costs. Competency management is a step in this direction. Data-informed workforce management can provide a multi-dimensional view of the workforce and the systems that attract, develop and retain employees. If civil servants in a strategic workforce are able to combine their professional skills in ways that drive value, then a strategic approach to management needs to include ways to attract and retain a diverse set of skills. Not all professions may be attracted by the same sets of employment terms and conditions. A principled and evidence-based approach to define core civil service and other kinds of employment could help to optimise employment

terms and conditions based on job requirements, worker expectations, and labour market considerations. In a strategic civil service, recruitment is aligned to specific skill sets needed, with development programmes designed to expand skills and encourage lifelong learning. A high level of agility and flexibility in the system is also required to allocate skills effectively and build the kinds of multidisciplinary teams needed to increase impact.

An **innovative** civil service must be able and ready to put innovation skills to best use, and requires a focus not only on strategic people management functions, but on open and collaborative organisational cultures, leadership and management. This means a management focused on people and knowledge, which centralises employee engagement and uses employee surveys to inform management and organisational decision making. It requires a look at the design of work and autonomy through the use of, for example, high performance work systems. It requires diversity, mobility and the reinforcement of learning. The OECD Strategic Human Resources Management (SHRM) survey suggests that the concept of innovation is increasingly being incorporated into core HRM systems, but it is still too early to tell if this is a passing fad or the emergence of a new and sustainable focus for public sector HRM.

.. and led by leaders who are...

Leadership is fundamental to civil service performance, and the specific skills and styles of leadership underpin all of the above. In a professional civil service, senior civil servants need to be trusted policy advisors to ministers, and effective transactional managers capable of aligning organisational resources to implement decisions. In a strategic civil service, leadership also needs to inspire and motivate civil servants to be proactive and use their skills and resources to impact change. This requires a leadership focused on transformation and change management, able to lead reforms and support change. Finally, leadership in an innovative civil service may be more dispersed, delegated, and collaborative. Management would be increasingly focused on adapting to constant change. These themes are explored in recent and ongoing OECD work on civil service leadership, for example “Engaging Public Employees for a High-Performing Civil Service” (OECD, 2016).

Supporting countries to build their public workforce of the future

Further developing this model towards an OECD recommendation on public employment will help inform countries on the best investments to make in their civil service to maximise capacity and value for money. As this work progresses, the following should be considered:

- This model is not meant to represent mutually exclusive options. The goal is not to strive for an innovative civil service at the expense of a strategic civil service. Rather, each builds on the next. Professional skills and merit-based processes provide a foundation upon which to build strategic and innovative capability.
- In some cases, tensions or contradictions may develop across the model. For example, as civil services move towards the innovative end, they may reduce reliance on professional accreditation and qualification in exchange for competency based recruitment and promotion.

- The model is not meant to be a one-size-fits-all approach, but to provide guidance on where best to invest, depending on a country's particular starting point and challenges.

This work is ongoing, and presents the following opportunities for the OECD to work with its public governance communities to support the development of OECD civil services of the future:

- The development of an OECD recommendation on civil service capacity and capability through the Public Employment and Management (PEM) working party in order to help guide decision making regarding civil service reform and investments in civil services. The proposed recommendation would identify the underlying principles that drive performance in a professional, strategic and innovative civil service, and would be a clear statement by OECD countries of the importance of this sometimes overlooked input into effective and productive governance.
- Opportunities to engage with other OECD communities (e.g. E-Leaders working party, the national contact points for public sector innovation) to further explore the specific skills requirements of these groups and the implications for civil service management.
- Opportunities to engage with specific countries to provide peer learning and share expertise on building the workforce of the future. The frameworks presented in this report provide for an analytical structure which could be used to assess skills and workforce management in individual civil services and provide insights on the challenges faced by OECD member countries.

References

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