

Civil Service Reform – International Successful Practices

Presentation by the Honorable Dan G. Blair

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Sabah al-kheir.

It is my privilege to appear here today and have the opportunity to speak before such an honorable and respected audience. I want to pay particular respect to and thanks to the Prime Minister and his Advisory Commission for your efforts to re-establish Iraq's public service.

The purpose behind this workshop is to develop a path to establishing a strong civil service. A strong civil service -

- enhances the operations of government and goes hand in hand with the economic reforms sought by the government,
- secures the continuity of government as administrations change,
- is part of the basic infrastructure needed to attract and retain foreign investment,
- stands as a deterrent to corruption, and
- helps insure and secure democracy into the future.

I feel strongly, if not passionately, about these issues as I've --

- Spent 25 years in public service and under the oath of office that all U.S. public servants take when beginning their service.
- Served 17 years as a senior legislative aide in both the U.S. House of Representatives and Senate before serving being asked by the President to serve in the Executive Branch of the U.S. government.
- For five years, I served as Deputy Director of the U.S. Office of Personnel Management. The U.S. Office of Personnel Management is the agency responsible for administering the civil service laws in the U.S.
- Currently, I serve as a Commissioner of the Postal Regulatory Commission. I was Chair of the commission for nearly three years during the time a new regulatory framework for overseeing the U.S. Postal Service was established.
- Both my positions in the Executive Branch are Presidential appointments that require confirmation by the Senate.
- This public service was recognized in my election as a Fellow of the National Academy of Public Administration.

I would like to acknowledge and recognize the substantial efforts that have led to convening of this workshop. These events require much attention and planning, and

your work to rebuild the public service in Iraq is recognized and most appreciated. Your work to re-establish Iraq as gold standard in public service in Middle East and around the world is to be commended.

Your draft “Law of the Federal Civil Service” sets the foundation for your new system. Importantly, this law -

- Recognizes that Civil Service is a national duty, sacred trust and social service;
- Ensures an acceptable living standard for employees and their families;
- Is founded on the principle of equal opportunity among employees; and
- Establishes that Civil Service should be built on the basis of professionalism, competence and political neutrality.

The recently-issued order by the Council of Ministers to all ministries, provinces, and government agencies regarding restructuring of personnel departments to conform to the draft Civil Service Reform Law is a step in the right direction. This is a critical time – I’m so glad to see that you’re seizing this great opportunity. Constant and consistent senior leadership involvement is critical to success of the efforts here today.

To achieve success, the Iraqi senior leadership must be involved at the highest levels. That’s why today’s meeting is so important – your presence shows your commitment to the reform effort. Your continued involvement is critical for success. Only through your continued commitment and work can these changes become systemic and part of the essential fabric of Iraqi government.

Research has shown that, on a global basis, inaccurate perceptions persist regarding the civil service and that public service is frequently taken for granted. These perceptions persist despite the important role the public service plays in promoting and ensuring a nation’s success. Some of those perceptions – and potential solutions – include beliefs that:

- Bureaucracy is often focused on its own agenda, rather than being citizen centered. Many people around the world view the civil service as a bureaucracy that is focused on process and procedure at the expense of the people. As you work to re-establish your civil service, I urge you to keep your focus on the citizens and their needs.
- Inefficient and unresponsive service delivery – Customers have high expectations and when they don’t get the service they expect, problems arise. I encourage you to set the tone from the top leadership that good customer service is critical. Make it clear that poor or inefficient service is not acceptable.
- Absence of performance culture – Every civil service must have ways to measure and reward performance. I urge you to train your workforce to achieve efficient and responsive service for your citizens. Employees must understand their service role. Your draft law provides an environment to grow a performance culture – through such requirements that assessments be based on objectives.
- Lack of accountability and transparency – Almost any problem can be overcome with appropriate communication. I urge you to ensure that your civil service provides regular and continuing information to the Iraqi people.

An effective public service is critical for establishing citizens' trust in the operations of government. Establishing this trust requires your dedication, time and effort. The following concepts serve as a foundation for a robust, efficient and responsive civil service, thus enhancing your efforts to achieve a government that is trusted and respected by the Iraqi people.

Adherence to Merit principles serve as a basis of a robust civil service. Adherence to the principles of equal employment, non-discrimination and fair hiring and advancement is the basis of any public service framework. Your draft legislation sets forth these important principles, clearly stating that "employees will assume public jobs without favoritism" and that there will be an "objective and impartial base for the annual allowance and promotion."

Establishing a high-performing public service is another cornerstone necessary for effective governance. When your civil service works effectively and efficiently, your country is equipped to achieve goals across government. Your draft law provides for the "annual evaluation of employees' performance on objective grounds, based upon the scientific techniques and standards of efficiency assessment." This will ensure the public service is high performing.

High-performing public service ensures continuity of government and fosters democracy. As government administrations change, the continuity of government is dependent on a high-performing civil service to ensure a seamless transition. Further, democracy is strengthened when government operations continue seamlessly during a change of administrations.

A robust public service complements efforts to tackle corruption and inefficiency in government operations. Building a gold-standard public service will aid your country in dealing with those who would seek to use government for their own self-interest and gain.

Lastly, a vibrant public service strengthens the economy and bolsters opportunities for economic growth and investment. When government functions properly, the nation's economy is strengthened and maintained. A stable public service enhances Iraq's global position in attracting and retaining foreign investment.

When we consider governments around the world and their efforts to build or refine their civil service, what are the major trends which must be considered?

- Global culture – we're all part of one global community. What you do in Iraq impacts countries around the world just as they impact you.
- Demographic trends –
 - Iraq population – 31,234,000 (April 2009 EST.)
 - Iraq is a young country, population wise, with almost 40 percent of the population age 14 years and younger.
 - 2007 population growth rate is 2.66%
 - Life expectancy is 69.01 years
 - In contrast, the western governments are facing a retirement wave as workforces age and workers retire

- Information technology – Every day, we see dramatic expansions in the field of Information Technology. Today, practically everything can be accomplished online.
- 24 hour news cycle – Throughout the world, news is reported as it actually happens. A tragedy in one part of the world can be addressed almost immediately by countries around the world.
- Rising public expectations of government – Today’s citizens expect more from their government – more assistance, more rapid response, more efficiency.

You’ve started down the right path with your draft reform law and recent order – but what are the major challenges you could be facing?

Attracting the best and brightest – Government service is important work and requires the best workforce possible. Innovation and flexibility are key if you are to attract the best individuals. Your draft law sets forth a very specific procedure for posting job vacancies and reviewing applicant qualifications. I urge you to consider balancing the need for fairly and accurately assessing candidate qualifications with the burden of the application process. You need to avoid imposing an application process so burdensome as to deter those you want to attract to public service.

Building a commitment to public service through education – Iraq already has in place a critical resource necessary to help build a robust civil service - the Iraqi people. And your society places a high regard for education. I urge you to find ways to take this respect and zeal for education in devising ways to encourage those with the benefits of formal education to serve their country through the civil service. And, I applaud you for including the “rehabilitation, training and development of employees during the service” in your draft law.

Establishing a results-based culture – There’s an American expression – what gets measured is what gets done. Establishing clear goals - and then measuring and reporting your progress – helps to ensure that the results will meet your expectations. Your inclusion of the means of evaluation of employees’ performance in your draft law supports efforts to establish a results-based culture. An important reminder – the process must be transparent. Keep your employees informed of this process in order to insure their engagement and buy-in with the process.

Retaining the workforce – It’s not enough to hire the best and brightest. Good workers will have other opportunities. They won’t stay if they are not compensated and rewarded appropriately. Your draft law provides for a fair salary structure in correlation to performance. Ongoing training is also key to job satisfaction. As I mentioned, your draft law provides for “rehabilitation, training and development.” Your provisions for scientific devotion will also be an important means of increasing job satisfaction.

Planning for succession and knowledge management – Once you have the right workforce in place, you have to plan continually for changes. Training junior workers to take a more senior position is critical. At the same time, there must be a system for capturing the institutional knowledge of those who leave. The draft law is silent regarding efforts to establish succession planning and knowledge management. While

it is not necessary to be part of the authorizing law, I would urge you to consider establishing guidelines for programs of this type. As an example – in the U.S., an aging workforce - and potential looming retirements - make succession planning and knowledge management critical.

As you look toward the establishment and maintenance of your civil service, I'd like to single out a few best practices which I think could be of assistance to you.

Merit-based system – Mexico initiated reform under former President Fox but efforts were not continued by his successor; the result is higher corruption and a public service challenged to respond to the growing threats of drug cartels and lawlessness. Your draft law addresses the basic principles of merit. However, I urge you to put in place measures that will institutionalize the system to ensure continuity of government.

Results-based government – I've mentioned this before, but setting goals and measuring performance is essential. In the United States, we have an Executive Agency Scorecard which establishes agency performance goals and scores agencies on how well they meet the goals. The scorecard is updated each quarter and results are made available on the internet. In addition, the Government Performance and Results Act, enacted in 1993, was designed to improve Federal program effectiveness and public accountability by promoting a new focus on results, service quality and customer satisfaction. The Act requires each Federal agency to develop five-year strategic plans which must be updated each three years and annually develop performance plans for each program activity defined in the Federal budget.

Policy Integration – Integrating your policy setting process into the civil service reform is a critical step. In 2001, the Koizumi government of Japan enacted the Government Policy Evaluations Act (GPEA), which required ministries and agencies to assume responsibility for evaluating policy, altering the planning and development of their policy, and communicating with the public information about their policy evaluations. During FY 2008, more than 7000 policy evaluations were conducted. More than a third of these evaluations involved improvements and revisions to policies. A total of 22 projects, costing approximately 281.6 billion yen, have been suspended or cancelled. The Japanese government has suspended or cancelled 227 public works, costing approximately 3.9 trillion yen, over the seven years since the enactment of the GPEA.

Building a learning culture and fostering innovation – Providing opportunities and incentives for your civil service employees to continue learning and striving for improvement is critical. Your draft law provides for training and development. You might also want to consider a program for rewarding innovation such as the one in Singapore. In Singapore, the Prime Minister's Office has an initiative – The Enterprise Challenge – which provides funding for testing innovative ideas that have the potential to improve the delivery of public services. Its purpose is to encourage creativity, innovation and enterprise among citizens to spark, develop and fund initiatives that can create new value for the Public Service.

Critical role of Human Capital (another name for human resources management) – No government can be effective without its people and, particularly, its workforce. Strategic human capital management must be a top priority. Again, I can't say it enough – having

the top government official here today is so important. One example is the U.S. Chief Human Capital Officers Council.

The *Chief Human Capital Officers Act of 2002*, enacted on November 25, 2002, required the heads of 24 Executive Departments and agencies to appoint or designate Chief Human Capital Officers (CHCOs). Each CHCO serves as his or her agency's chief policy advisor on all human resources management issues and is charged with selecting, developing, training, and managing a high-quality, productive workforce.

The CHCO Act also established a Chief Human Capital Officers Council to advise and coordinate the activities of members' agencies on such matters as the modernization of human resources systems, improved quality of human resources information, and legislation affecting human resources operations and organizations. The 25-member Council is composed of the Director of the Office of Personnel Management (OPM), who serves as chairman; the Deputy Director for Management of the Office of Management and Budget (OMB), who acts as vice chairman; the CHCOs of the 15 Executive departments; and the CHCOs of 8 additional agencies designated by the OPM Director.

Organizational structure – The basic structure of your civil service is also important. Ensuring communication and collaboration among and between different government entities is critical. As the various government entities look to restructure their personnel services to comply with the Council of Ministries Order issued on October 13, you might want to consider how you can work together. For example, a number of countries have coordinating bodies that help promote collaboration among levels of government. They are a key force for building capacity and sharing good practices.

- In Norway, the Association of Local and regional authorities is the national members' association for municipalities, counties and public enterprises.
- Canada has a working group on regulatory reform that included representatives from the federal, provincial and local level. It was created to help build a shared approach to regulatory reform, and aims to enhance the government's capacity to produce quality regulation and encourage cooperation across jurisdictions.
- Denmark's central and sub-national-level e-government officials have formed a management board/steering group arrangement. The agreements that emerge from the group are based on trust and are implemented in the respective jurisdictions.
- Australia, Brazil, Luxembourg, and Slovenia all use ad hoc and informal meetings to help manage multi-level governance relations.

You are very much on the right track with your draft law and recent order, but let me re-emphasize a few basic principles as you move forward with your reform effort:

Civil Service jobs are a privilege and require a commitment to country and service. Employees cannot develop an entitlement attitude toward public service jobs. You are to be commended for establishing in your draft law the perception that public jobs are part of a patriotic duty, sacred trust and social service to the general population. I urge you to do everything you can to maintain this perception.

Citizens – and employees – should be treated equally. Civil Service is not the place for cronyism or preferential treatment. I urge you to preserve the ideal set forth in your draft law of equal opportunity among employees for hiring, promotion, and pay.

Employees should be recognized and rewarded appropriately. Your employees and citizens are your most valuable asset. I urge you to maximize your flexibility as you establish your salary structure for providing employees with appropriate compensation and rights.

Civil service should be built on professionalism. Set the example from the top leadership that anything less than professionalism in every aspect of the job will not be tolerated. I urge you to work to ensure that your civil service is focused on professionalism, competency and political neutrality.

Key leadership must remain involved and committed. You've shown your commitment by being here today – you must remain involved and active.

Reform takes time. Changes of this type are a long-term commitment. One consideration may be to think “big,” but target key departments or agencies in phasing in over time. And, finally, remember you have partners in the U.S. with extensive expertise who are eager to help.

[Question and Answers]

As your government enters this next phase in strengthening your democracy, it must take affirmative steps to ensure that a strong, responsive and accountable workforce takes root. A strong public service is the cornerstone of a vibrant democracy. An effective and efficient civil service strengthens your efforts to build and maintain the peoples' trust in their government.

These efforts will only be successful if senior leadership exercises constant and consistent attention to nurturing this effort. In some respects, the work you are doing here mimics that of preparing a child for adulthood. This project requires your time and energy. As with a child, you must work to ensure that he or she is prepared for life and is responsible and accountable. And, as with a child, your investment in time and attention paid to establishing a meritorious civil service will pay off handsomely for generations of Iraqis to come.

I greatly appreciate this opportunity to share my thoughts and good wishes for you as you proceed down this path. We stand ready to assist you in this historic endeavor.

Shirkrun. (Thank you)