

December, 2021

Uruguay



## Civil Servants Survey

Key empirical results from the survey

# QUALITY OF HRM PRACTICES AND MOTIVATION OF CIVIL SERVANTS IN URUGUAY



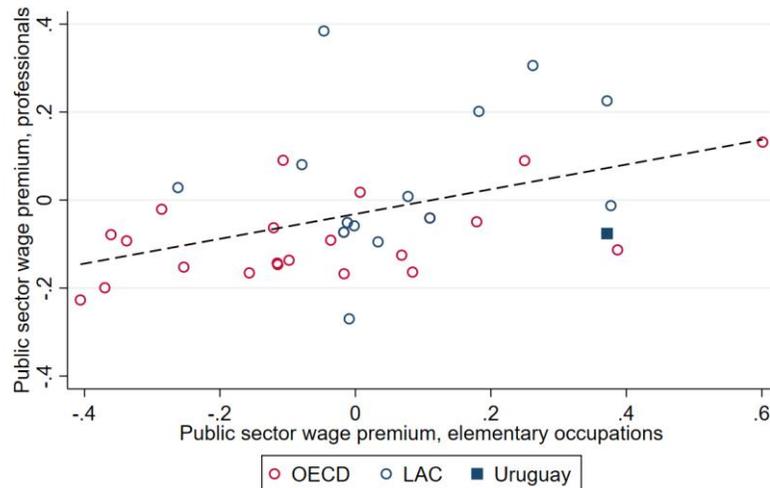
# Outline

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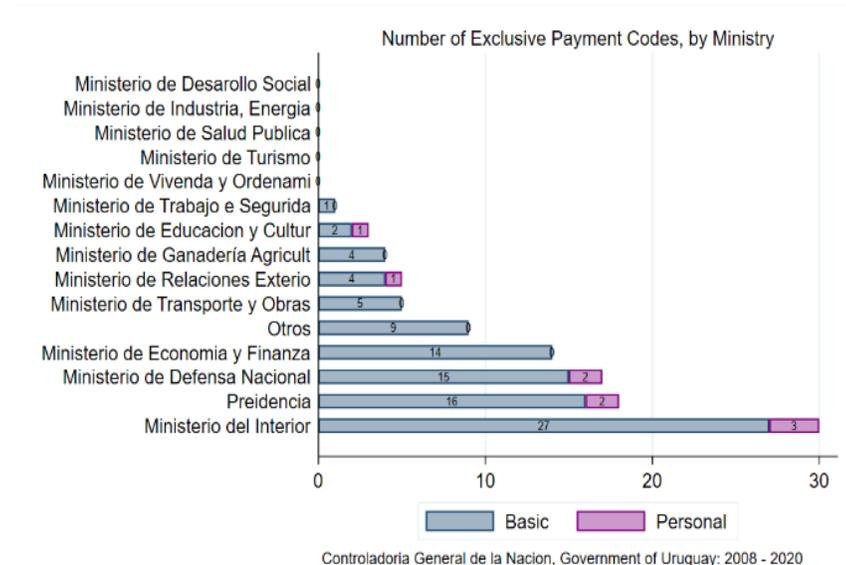
- Background of the study and objectives
- Survey design and sample
- Key Findings:
  - HRM practices
  - Motivation and retention
- Policy recommendations

# Background of the study and objectives

1. **Strong demand from the client.**
2. **Uruguay 2021 SCD and Institutional Assessment** → Relatively weak center-of-government and public sector management institutions.
3. **Uruguay 2021 PER, Wage Bill chapter** → Rigid HRM structure. De facto, salaries not linked to performance. In the Central Administration, non-transparent salary schemes and large inequalities across Ministries.
4. **Objectives** of the survey: Understand experiences and perspectives of civil servants to inform reform efforts.



Source: Worldwide Bureaucracy Indicators, last available year for each country.  
 Note: Public sector wage premium calculated with respect to formal wage employees, considering weekly wages.



# Survey design and sample

- Participating entities and target population:
  - **20 public institutions:** 15 Central institutions and 5 Decentralized institutions/SOEs (ANCAP, ANTEL, OSE, UTE y el INAU)
  - **Online survey**
  - **Census** of a population of more than 40,000 civil servants
- Sample:
  - **29% response rate** with 10,281 valid responses
  - **60% women, 51% with tertiary education, 80% public officials (presupuestados)**
- Time:
  - May – June 2021

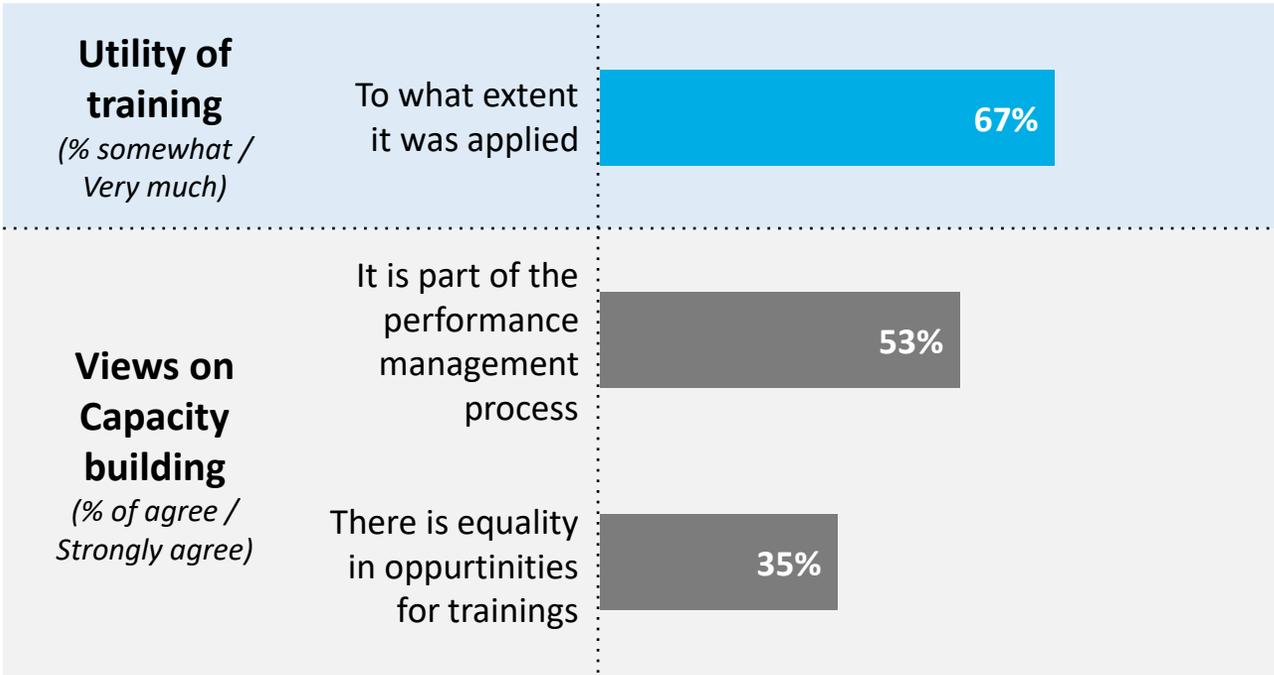
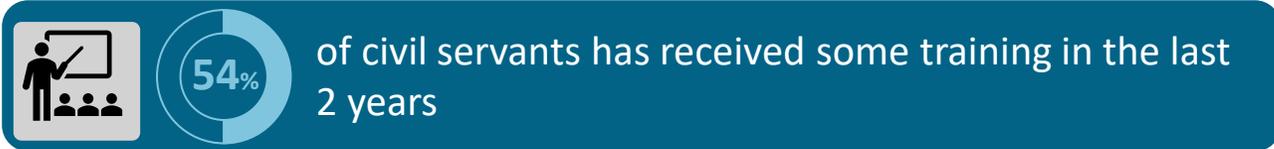
# Overview of HRM practices in Uruguay



Note: The score for each dimension was calculated by averaging the share of agree/strongly agree responses over the sub-indicators included in each dimension. The scores are calculated at individual level and then averaged over respondents using balancing weights. For each dimension, the maximum score is 100.

- **Strongest HRM dimensions:** team work, recruitment, leadership.
- **Weakest HRM dimensions:** capacity building, promotions, absenteeism, compensations and mobility.

# Capacity building: limited opportunities and perceived inequalities



- Only 54% has received some training in the last 2 years.
- Training opportunities are perceived as useful and relevant for the job, but there is a widespread perception of inequalities in access.
- Most civil servants (67%) think that performance evaluations do *not* influence opportunities for training and development.

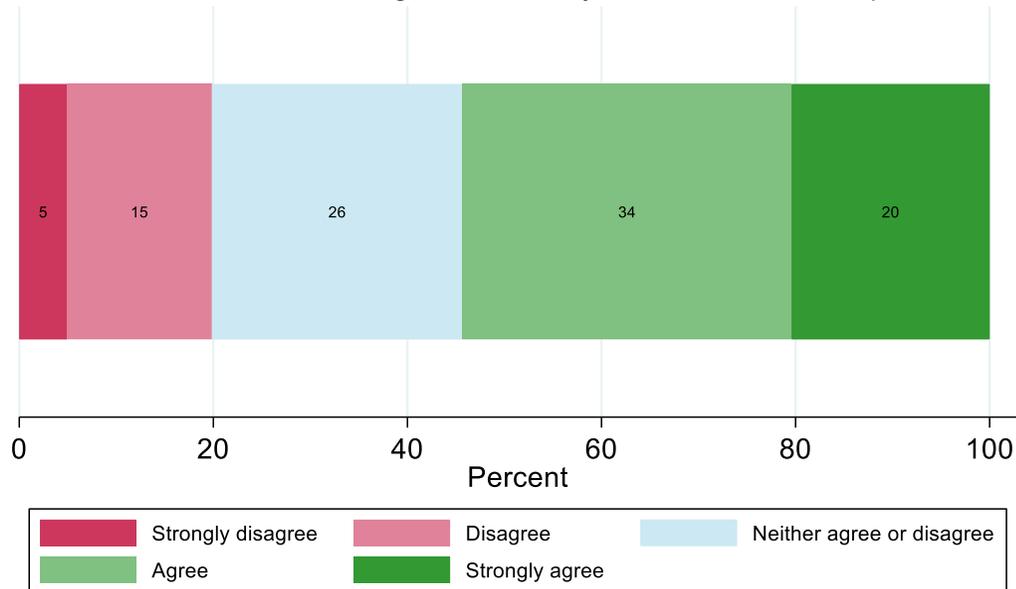
# Absenteeism: widespread concerns, partly driven by institutional roots



54%

think that, before the Covid-19 pandemic, absenteeism was a challenge in own entity

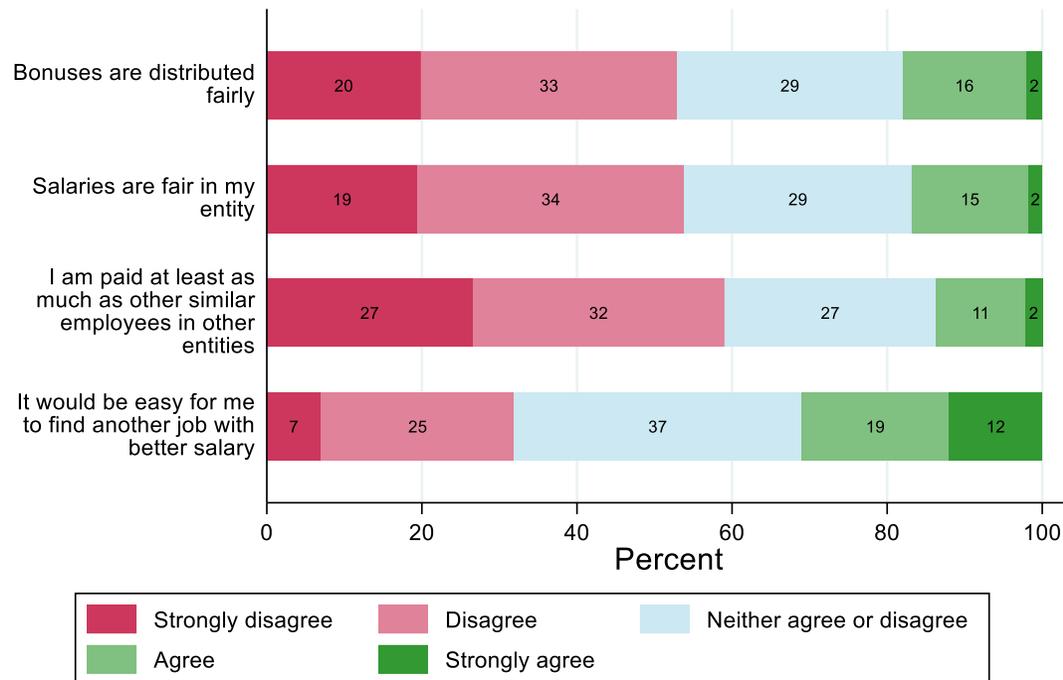
Absenteeism was a challenge in own entity before the Covid-19 pandemic



- Institutional roots: For example, the system for medical licenses is fragmented and it varies across entities. → Wide range of exemptions and difficult to monitor.
- Before the Covid-19 pandemic, 71% of civil servants has a good work-life balance, and less than 40% had an excessive workload.

# Compensations: in practice, not linked with performance evaluations

  of civil servants are satisfied with their compensations



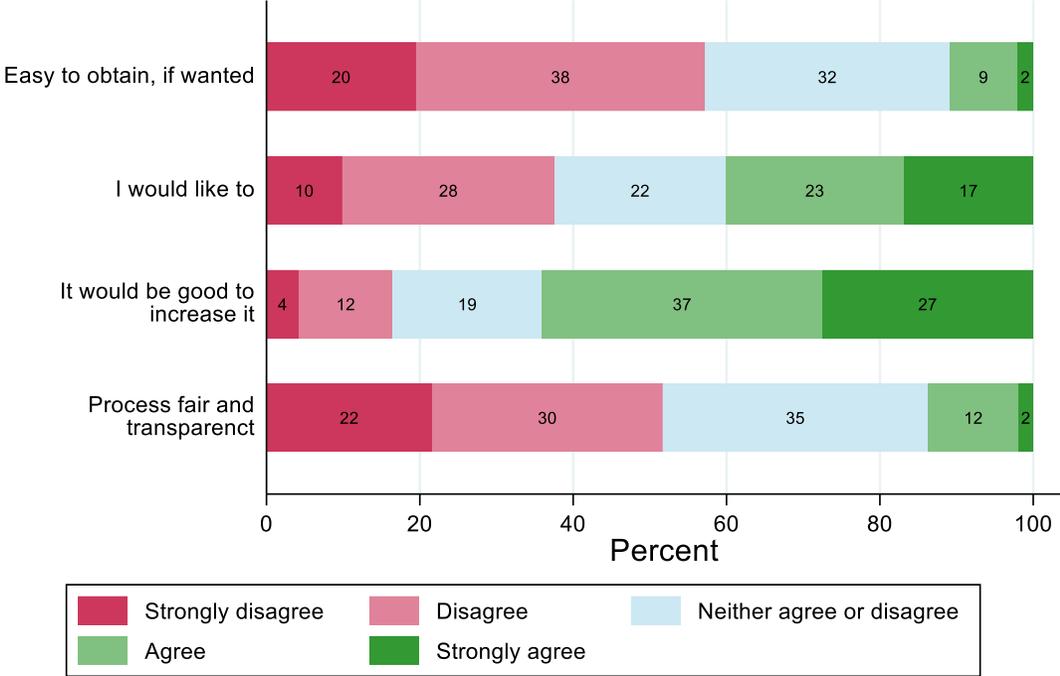
Number of observations = 9325.  
Excluding those that preferred not to answer.  
Results using balancing weights.

## DISCUSIÓN

- Institutional roots: Entities have discretionality in the definition of salaries.
- Most civil servants think that performance evaluations do *not* influence salaries (74%) and bonuses (72%).
- Only 31% of civil servants has ever received a performance bonus. Among them, 20% report that the bonus was distributed equally among everyone in the unit.
- Widespread perceptions of inequalities, especially across entities. Only 14% think to be paid at least the same as other civil servants with similar tasks in other entities.

# Mobility: Institutional rigidities and space for reforms

← → About mobility:



Number of observations = 9783.  
 Excluding those that preferred not to answer.  
 Results using balancing weights.

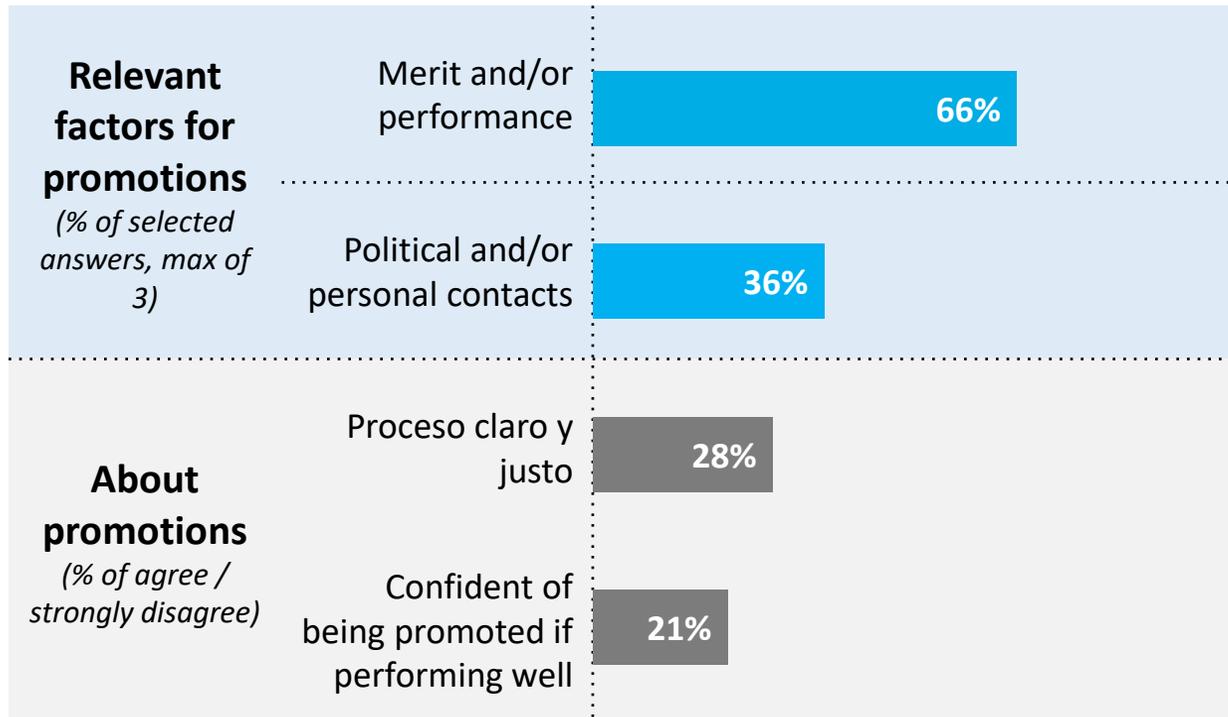
- Institutional roots: Civil servants cannot move horizontally across entities, except under special circumstances and authorization. Career paths are specific within a given entity.
- This rigidity is perceived as a problem, and 64% of civil servants believe that it would be good to increase mobility in the public sector.

# Promotions: limited opportunities and perceived inequalities



30%

of civil servants with 10 years or more of experience ever received a promotion



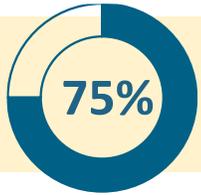
- Limited opportunities for vertical mobility and promotions.
- Most civil servants (69%) think that performance evaluations do *not* influence promotions.
- With respect to recruitment, promotions are perceived as driven less by merit (66% vs 95%) and more by political or personal contacts (36% vs 10%).
- Among those that never received a promotions, views are even more pessimistic, with only 18% thinking that the process for promotions in own entity is transparent and fair, and only 18% confident to be promoted in the future if performing well.

# HRM practices → satisfaction and retention

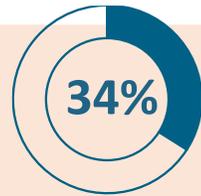
	Satisfied with own job	Would recommend own entity as a good place where to work	Would like to move to a different entity within the public sector	Has searched for another job in the last 2 years
Team work	++	++	-	-
Recruitment	++	++	-	-
Leadership	++	++	--	-
Work load	+	++	-	-
Performance	+	+		-
Training	+	++		
Absenteeism			-	-
Promotions	+	++	--	--
Compensations	+	++		--
Mobility		+	+	

*Nota: Resultados del modelo de regresión con controles demográficos, efectos fijos de organismos y errores estándares agrupados a nivel de entidad. Solo se reportaron correlaciones estadísticamente significativas (pvalor<0.05). Los colores más oscuros indican correlaciones cuyo valor absoluto es superior al 10%. Solo funcionarios sin personal a cargo.*

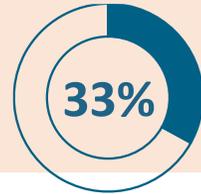
# Most civil servants are satisfied with their job, but risks of low motivation and low retention



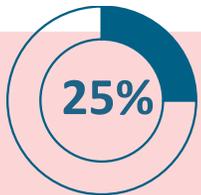
Satisfied with their job



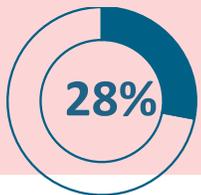
Do not feel valued in own entity



Think not being able to realize his/her full potential in the current job



Has searched for jobs in the private sector



Would like to leave the current entity in the next 2 years

- Risks of low motivation and low retention are particularly concerning for talented workers.
- For example, those with tertiary education are less satisfied with their job (70% vs 78%). They are more confident of being able to find a job with better salary in the private sector (38% vs 25%), and less confident of being promoted in the future if performing well (22% vs 19%). As a consequence, they are more likely to have searched for jobs in the private sector in the last 2 years (32% vs 20%).

# Policy recommendations



**Strengthen performance evaluations:** Set common standards for performance evaluations and therefore create the conditions for linking them to salaries and promotions.



**Simplify the salary structure:** Reduce the number of different salary types and categories and strengthen the link between salaries and job description, therefore addressing the widespread perceptions of inequality.



**Increase options for career promotions and capacity building:** More frequent and better targeted training opportunities, linked to knowledge gaps. Remove barriers for horizontal mobility.



**Reduce differences across entities:** Reduce discretions of entities in key HRM decisions (eg. salaries) would reduce the widespread perceptions of inequality.



**Collect and use data for decision-making:** Centralize admin HRM data and increase their completeness (eg. education, performance evaluations, recruitment process). Routine surveys among civil servants and “exit questionnaire”. More diagnostics, for example on the attractiveness of public sector jobs and knowledge gaps.