Managers or measures?

Reforming performance management in the Romanian public administration

Advisory Services on Developing a Unitary Human Resources Management System Within the Public Administration
Starting point

Public administration reform strategies:
Improve performance management of civil servants

Expectation:
Develop measurement system to quantify individual performance

Challenge:
Goals and feasibility of such a system?
## Approach

### Questions

1. What do we know about effective performance management in the public sector?
2. What are the *de jure* goals and tools of PM in Romania?
3. How is performance management actually done in practice and what does it achieve?
4. What tools can we use to improve performance management in practice in the Romanian public administration?

### Data sources

1. Review of international practices and multidisciplinary academic literature on performance management
2. Review of legal framework and internal procedures and guidelines on performance management
3. Perception survey across representative sample of public administration staff (Bureaucracy Lab)
4. Behavioral analysis in partnership with Embed (interviews, focus groups, vignettes)
5. Administrative data, including sample performance evaluations
Performance management goals and tools

Higher individual and organizational performance

OUTCOME
OBJECTIVE
PRACTICES

Steering
Motivation
Development

Goal-setting
Performance appraisal

Monetary incentives
Non-monetary incentives
Career progression

Training
Coaching

Accountability
Growth
1. PM must start from the top

2. Ensure a clear line of sight

3. Differentiate between levels and types of performance

4. For objectivity and fairness, diversify the source of evaluation

5. Motivate performance through both intrinsic and extrinsic incentives

6. Enable performance through adequate opportunities for growth and improvement

7. Embed PM within institutions

Steer, motivate, and develop staff

Success factors in performance management
Performance management in law

Focus: Measurement and Control

Goal: Accountability?

Steering

- Goal-setting
- (Annual) Performance Appraisal (PA)

Motivation

- [Monetary incentives]
- Non-monetary incentives
- [Career progression]

Development

- [Training]
- Coaching
... But, almost everybody gets the highest rating

If you remember your last performance rating, what was it?

Source: HRM RAS survey
1. High politicization at the top
2. Weak link from individual to organizational goals
3. No differentiation between levels and types of performance
4. Top-down, single-source evaluation only
5. No real rewards/sanctions for performance
6. No opportunities for growth and improvement
7. Formalistic box-ticking exercise

PM success factors

Steering staff
Developing staff
Motivating staff
My performance evaluation results have not been used in any significant way

To help me keep track of my performance

To help me improve my performance

To assess what type of trainings I should receive

To motivate me to work hard

To set my pay

To award me a bonus

To promote me to a new position

To transfer me to another position

To threaten potential dismissal from the public administration

Source: HRM RAS survey

... And the performance evaluation results are not seen as very useful
And yet, performance management matters!

Civil servants are more motivated, engaged, and satisfied if .......

- Their objectives and results are meaningfully discussed on more than one occasion.
- They have a good understanding of their institution’s goals and their own contribution to them.
- They receive useful formal and informal feedback from managers and from others.
- Their managers lead by example and care about the institution and their staff.
- They have a “human(e)” working environment, where they feel valued and included, as part of a good team.

How to leverage existing good management practices?

Enable and reward good managers in the short term.

Address structural constraints in the long term.
So what next .....?

Institutional configuration for HRM

1. PM must start from the top
2. Ensure a clear line of sight
3. Differentiate performance
4. Diversify the source of evaluation
5. Motivate performance
6. Enable performance
7. Embed PM within institutions

Strengthen HLCS performance management regime

Recruitment

Strategic planning/organizational PM

Train managers in objective setting and performance assessment (FoR) as well as calibration of grades

More frequent check-ins and multi-source feedback

L&D policy

Stronger involvement of institutional leadership and HR dpt in communicating and adjusting PM systems within organization

Structured learning and exchange program on "people management", including training on feedback provision and competency-based management

Career Management

Pay Policy

Institutional configuration for HRM

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Career Management

Pay Policy
Thank you

Questions?
Ratios of HLCS temporary appointments to permanently occupied positions, 2019

- Prefects: 10% Temporary, 90% Permanent
- Sub Prefects: 2.5% Temporary, 97.5% Permanent
- Secretaries General: 32% Temporary, 68% Permanent
- Deputy Secretaries General: 16% Temporary, 84% Permanent

Source: NACS administrative data
Temporary appointments in HLCS positions (months)

Source: NACS administrative data
How do you think the performance appraisal system could be improved?

- More frequent performance appraisals: 0.09
- More motivating performance targets: 0.29
- More adequate evaluation criteria: 0.28
- More realistic performance ratings which really assess and differentiate job performance: 0.39
- More feedback on how to improve individual performance: 0.31
- Greater relevance of performance evaluation results for pay decisions: 0.22
- Greater relevance of performance evaluation results for promotion decisions: 0.20
- Greater relevance of performance evaluation results for dismissal decisions: 0.08
- A more user-friendly performance evaluation report template: 0.12
- Forced distribution of performance ratings (e.g., only 20% can get “very good” score): 0.04
- Annual examination as part of the performance evaluation: 0.10