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**“Are civil servants different because they are civil
servants ?”**

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Are civil servants different because they are civil servants?

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1. Introduction

1.1. The end of a specific civil service? From the beginnings until the 21st century

For a lengthy period, European societies believed that civil servants were linked to the authority of the state and could not be compared to employees in the private sector. This group of public employees were seen as agents intended to uphold the rule of law and to implement government policies. Consequently, civil servants had to have high standards of integrity and be entrusted with a single task: working for the common interest. In this conception, where the state was separated from society and citizens, it was inconceivable that civil servants should have the right to strike or the right to conclude collective working conditions agreements.

After the Second World War, the tasks of the state evolved (especially in the social and education sector) and more and more people were recruited as civil servants. Consequently, public employment reached a new peak in the late 1970s and early 1980s. However, as a consequence of the broadening of the public sector, it also became also less clear why civil-service positions in the field of education, research, and social security, for example, should be treated differently to those in the private sector.

This expansion of the civil services and – in many cases – the preferential treatment of civil servants (especially as regards job security and social security provisions) have improved the attractiveness of public service employment but not necessarily the image of the public services. In fact, citizens, media and politicians have expressed more and more dissatisfaction with the public sector and with civil servants in general and campaign against the bureaucrats and expensive, slow, inefficient, and unresponsive bureaucracies. As a result, it has become more and more difficult to argue why certain features of the traditional public services, such as pay, social security, working conditions, working time, the right to strike and social dialogue, etc., should be distinct from those in the private sector.

Today, one of the most important challenges for almost all European public services is budgetary constraints. Often, public services are considered too expensive, inefficient, over-regulated, and ineffective. The Lisbon agenda, in particular, plays an important role in this discussion. Consequently, solutions should aim at greater efficiency, effectiveness and fewer – or better – rules. The downside of this discussion is that positive features of national public services may not be discussed sufficiently and civil servants are seen as cost factors and less as positive contributors to effective public organisations.

The early 21st century has seen the introduction of new popular concepts such as governance, change management, knowledge management, life-long learning and new public management. In addition, in many civil services, decentralisation trends have been introduced, organisational structures and recruitment procedures have been changed, budgets reduced, working time patterns have been modified, performance management systems adopted, senior officials are appointed for a definite period of

time, pay and pension systems have been reformed and – more generally – alignment trends between the public and private sector have been pursued. To this should be added the impact of the European integration process on the public services and liberalisation and privatisation in the field of the public services (audiovisual, post, railways, electricity, telecommunication and gas).

These ongoing reform measures encourage the change, deconstruction and decentralisation of the civil service on all fronts. In addition, public policies are now administered through increasingly complex networks, decentralised governance structures, public-private partnerships and cooperative ventures between NGOs, consultants and government. As a consequence, the traditional concept of the public service as a single, unified employer is slowly disappearing. Instead, the introduction of individual performance schemes and the decentralisation of responsibilities in Human Resources Management (HRM) make the public service a somewhat heterogeneous body.

Whereas for a long time, public organisations were very different from private companies, this is much less clear in the 21st century. Today, a distinction between the public service and business is more difficult to make because of many new forms of outsourcing, public-private partnerships, alignments of status, etc. The US scholar Hal Rainey is therefore right when claiming that “clear demarcations between the public and private sectors are impossible, and oversimplified distinctions between public and private organisations are misleading.”¹

In general, it seems that all reforms, changes and new developments have still not found their way into the mind of citizens. Public organisations and civil servants stereotypes still continue even though they were shaped in a world that no longer exists. Until now, many have the perception that civil servants work in an environment that is clearly separated from the private sector. In addition, many see civil servants as bureaucrats who lack flexibility and adhere to rules and processes and who are not inclined to serve the individual or citizens’ interests. In addition, another popular stereotype is that civil servants are not performing as they should, but are nevertheless receiving preferential treatment in terms of pay and working conditions in general.

Furthermore, perceptions and stereotypes differ from job to job: “At one moment public employees are praised for helping the less fortunate, protecting society, or participating in grand projects designed to enhance the well being of all members of society.”² On the other hand, public servants are accused of being more motivated by power and are lazy, corrupt and egoistic.

In fact there are now as many different categories of public employees as there are different public functions and organisations, e.g. employees in a ministry differ from those in an agency, the police, the health service, border control, public-private partnerships, a school or a food inspectorate. Working conditions and working life have changed and – occasionally – differ from organisation to organisation. In some

¹ Hal G. Rainey, *Understanding and Managing Public Organisations*, Third Edition, Jossey Bass, San Francisco, 2003, p.62

² Patrick G. Scott and Santa Falcone, *Comparing Public and Private Organizations*, in: *Review of Public Administration*, Vol. 28, June 1998, p. 3.

Member States senior civil servants differ very little from senior managers in private companies, e.g. in Malta, senior managers are appointed for a definite period of time and are recruited either from the public or private sector and have limited contracts which may be terminated (or not extended) if performance criteria and targets are not met. Such a situation was unthinkable ten years ago. Are these managers still different from those in the private sector?

Whatever the right answer will be, one thing is sure: the term “civil servant” is more difficult to define than ever. He or she has very different tasks, positions, legal relationships and working conditions in the various Member States.

1.2 Objective of this study and methodology

In the academic field, only few scholars have so far examined the relationship between the changing role and tasks of national governments (governance), public organisations, and the impact on status, performance, motivation and working conditions of civil servants. How do civil servants change in times of globalisation, Europeanisation, the changing role of the state, the emergence of new networks, the adoption of new regulatory instruments, changing organisational structures, the introduction of new information technologies, decentralisation trends, etc?

The objective of this study is not to defend a specific civil service model nor to abolish it. I believe that too many discussions about the public service easily take the direction of ideological discourses. Instead, my interest in this study is to illustrate who these public employees actually are, how they perform and how they work (chapters 6 to 10). Naturally, my interest is also to examine the many existing clichés, images and perceptions about public servants (are they right or wrong?) and whether public servants differ at all from those working in the private sector. Do public employees, civil servants and private sector employees have a different work ethos and work motivation? Are they performing differently? Do they need different performance incentives? Are they more rule-oriented and job-security-minded?

These questions are of more than academic interest, they are in fact highly sensitive, political and more and more relevant. An increasing number of Member States find it increasingly difficult to argue why certain tasks should be given to civil servants, why civil servants should be treated differently to other employees and why civil servants should have working conditions different to those of other employees in the public or private sector.

Comparisons between the public and private sector are numerous and many studies have been carried out within the last decades. Ideally, any comparison between the public and private sector should compare similar or the same functions. This is possible in the case of certain types of staff such as employees of public and private hospitals or private and state schools. However, this is extremely difficult when comparing a ministry and a private company, for instance. In this case, comparing public and private employees would require an analysis and interpretation of many variables, e.g. the need to compare similar positions, as well as the age and qualifications of the different staff categories.

In the European Union, the definitions of public sector, public service, public employee, civil servant and even senior officials differ from country to country. In addition, some Member States employ only a small percentage of their public employees as civil servants whereas other countries employ almost exclusively civil servants in the national public service. Most Member States also employ different categories of staff in the public service, e.g. career officials with or without tenure, public employees under labour law who are employed on a permanent basis, public employees on a temporary basis, statutory staff, employees with a contract for an indefinite period of time and employees with a contract for a definite period of time³. This proliferation of different types of personnel is typical for the public services in Europe. Consequently, any public-private comparison should also include a public-public comparison (chapter 3) between the different categories of public employees.

In the chapters 6-10, we will analyse the differences and similarities between the public and private sector as regards job satisfaction, job motivation, performance, performance incentives and job security. These comparisons are not without difficulties. For example, one precondition would be to compare similar age groups with similar qualifications, competences and educational profiles. Some national answers to this study have highlighted the fact that educational profiles are higher in the public sector than in the private sector and the average age of public employees is often older than of those in the private sector. Finally, any analysis in this field is faced with the problem that huge differences exist in the opinions of academics, civil servants and the public and media.

Despite these difficulties in comparing public and private employees, the issue is extremely important to Member States because it is related to the way incentive systems are structured. “As a general rule, the incentives that organisations provide are likely to be most effective if they are contingent on the motives of the individual members.”⁴

As so often in comparative studies, data relating to public-public comparisons is scarce. With this in mind, I submitted – in cooperation with the Luxembourg EU Presidency – a qualitative questionnaire to all Member States (see Annex). The questionnaire contained subjective statements and relatively broad questions in order to allow to the Member States to answer flexibly and to provide me with as much data, documentation and surveys (if available) as possible.

All 25 Member States (plus Bulgaria) and the European Commission replied to the questionnaire and many Member States provided me with useful references, documents and studies. Despite this excellent result, it was not possible to get a complete picture concerning the differences between public and private employees. For example, with regard to the question “Have any studies been conducted in your country about the attitudes and behaviour of civil servants as compared with private employees?” only a few answered positively.

3 Ministerio de Administraciones Públicas, Civil Service in Spain, Spanish EU Presidency, Madrid 2002, pp. 40/41

4 James E Perry/Wise, L.R., The Motivational Bases of Public Service, in: Public Administration Review, 1990, May/June, op. cit., p. 371

I hope that this study will generate a productive debate among the Directors-General of the Public Services. I would like to thank the Presidency Human Resource Management Working Group as well as the Luxembourg Presidency, and especially Jacqueline Betzen. I am also extremely grateful to the Directors-General and various national experts within the Member States and the European Commission for helping me to perform this study. I sincerely hope that this study presents a number of interesting facts. I also hope that this study will be of great interest to all Member States and contribute to our objective of sharing information and mutual learning.

Finally, I would like to thank Professor Ed Kellough (University of Georgia (USA)). Thanks for the many interesting discussions and the invitation to the Department of Public Administration and Policy. Thank you also for the nice time in Georgia and in the city of Athens.

Christoph Demmke

2. Do organisations matter? Are public organisations different to private organisations?

2.1. Differences and similarities

The widespread public scepticism about public institutions⁵ and numerous clichés about civil servants and public organisations (<http://www.tinyvital.com/Misc/Lawsburo.htm>)⁶ imply that there are sharp differences between public and private organisations. At the same time, one has to acknowledge that public and private organisations include many different organisations. It is true that neither all public nor all private organisations are alike. In “Government is different”, Appleby noted the differences among organisational structures within the public sector, “government administration differs from all other administrative work....”⁷ For example, a ministry works in a totally different work climate and under different parameters than a police station, a judicial court, an inspection body or a local authority. Ministries, in particular, have special tasks and duties which differ from those in the private sector. For example, offering services to citizens (clients) may not be one of the most important priorities of a ministry, but this is the case for most private companies.

When studying the differences between the public and private sector, it is also important to mention the gap between the opinions of experts and the general public perception and stereotypes (Chapter 2). Many – if not most – experts in the field have argued that there has been too little sound analysis of the real differences between public and private organisations⁸ and point to the growing difficulties in identifying clear differences between the two sectors in times of outsourcing, public-private partnerships and consultancy. In fact, clear demarcations between public and private organisations are difficult and therefore oversimplified distinctions between public and private organisations are misleading.⁹

Whereas most experts doubt that there are too many differences, the public and the media are convinced that there are still too many. Interestingly, the position that public organisations are different was always in striking contrast to the opinion of major public administration experts such as Herbert Simon and Max Weber who all “stressed the commonalities among organisations and have suggested that public agencies and private firms are more alike than different.”¹⁰ For example, Weber applied his concept of bureaucracy to private organisations, too. Simon was of the opinion that it is false to assume that “public and non-profit organisations cannot, and on average do not, operate as efficiently as private business.”¹¹ Simon was also

5 Loek Halman, *The European Values Survey; a Third Wave, 1999/2000*, Tilburg University 2001, p. 192

66 Steven van de Walle, *Context-specific images of the archetypical bureaucrat: persistence and diffusion of the bureaucratic stereotype*, public Management Institute, University of Leuven, 2003

7 Paul Appleby, *Government is different*, in: Shafritz, Jay M./Hyde Albert C., *Classics of Public Administration*, The Dorsey Press, Chicago, Illinois, 2004, p. 134

8 Hal Rainey, *Understanding and Managing*, op. cit., p. 5

9 Hal Rainey, *Understanding and Managing*, op. cit., p. 62

10 Hal Rainey, *Understanding and Managing*, op. cit., p. 48

11 Hal Rainey, *Understanding and Managing*, op. cit., p. 49

convinced that public employees are not distinct from private employees. In “Administrative behaviour”, Simon wrote “I used to think that organisation was important, but now I think that it is much more a matter of personality. The important thing is the man. If he has drive, ability, imagination, he can work in almost any organisation.”¹²

These findings are logical. Many people in both types of organisations virtually perform the same functions “managers, secretaries, computer programmers, auditors, personnel officers, maintenance workers,” etc.¹³ Or more concretely, “A government-owned hospital, for example, obviously resembles a private hospital more than it resembles a government-owned utility.”¹⁴ On the other hand, “if they are not distinct from other organisations, such as businesses, in any important way, why do public organisations exist?”¹⁵

In fact, some important differences can be identified.

- a) Public administrations are faced far more with legal and political constraints by the courts, legislatures and pressure groups than private organisations. These constraints result in different objectives, more control and monitoring, more red-tape, less autonomy and higher levels of formalisation in public organisations. Because of these differences, public HRM managers, too, tend to have less flexibility in terms of personnel procedures and – as a consequence – at least some public organisations may be less innovative, less performance oriented, and be more averse to risk than private sector companies.
- b) In many Member States, public organisations were set up in the nineteenth century as hierarchical organisations with career systems and with clear promotion paths (according to the principle of seniority). These principles were intended to protect existing public employees from changes in government and lobbying from the private sector. Traditional organisations also had very specific features such as a highly formalised decision-making structure, little mobility between the public and private sector, high levels of job security, a uniform pay system and specific pension schemes. All these principles were intended to guarantee equity, transparency and security instead of individualisation, self-interest and political influence. The overall characteristics and principles of a public organisation were stability, hierarchy and compactness.

Many of these principles and – to a lesser extent – values are about to change. For example, stability is nowadays seen by many as an old-fashioned value which has been replaced by change, innovation and mobility. In addition, organisational values such as centralisation, hierarchy and rigidity are seen as supporting various forms of organisational and individual poor performance. Some decades ago, conventional wisdom simply assumed that stability contributes to public administrative

12 Herbert Simon, *Administrative Behaviour*, New York, 1947, P. XV

13 Hal Rainey, *Understanding and Managing*, *op. cit.*, p.60

14 Hal Rainey, *Understanding and Managing*, *op. cit.*, p. 58

15 Hal Rainey, *Understanding and Managing*, *op. cit.*, p. 55

performance whereas today, according to O'Toole, "nothing seems hotter than novelty" and consequently "stability, in contrast, rusts at the bottom of the public manager's toolbox."¹⁶ This example shows that public organisations are in a process of change and increasingly resemble private organisations.

However, organisational changes also generate new dilemmas. For example, if a public organisation were to function like a company, the principles of democracy, legality, equality, fairness and non-discrimination would suffer and other values would become more important. However, this does not mean that government cannot be more entrepreneurial.¹⁷

Pochard, the former Director-General of the French Public Service, writes about the situation in France, "The foundations and principles - linked to the fact that the public employer which due to its missions and prerogatives is not an ordinary employer - are today as in the past necessary in order to equip civil servants with a state, and to shield (protect) them from favouritism and from the arbitrary and to allow them to dedicate themselves with impartiality and autonomy to the public service."¹⁸ Also the French answer to the above questionnaire illustrates the differences between public and private organisations (especially as regards the remuneration systems and career development opportunities) without suggesting that the one is better than the other. "The salary progression of staff is less regulated in the private than in the public sector and even less than in the case of teachers. The careers of private sector staff are not always better, but are more unpredictable. There are fewer surprises in the public sector. The infighting, which is more developed in the private sector, results in spectacular successes, but also failures. It seems that the public service guarantees salary progression. It may be slow, but it is almost always assured".

In many countries, the belief that public and private organisations are very different and serve different objectives is also deeply rooted in the administrative culture of the various countries. In particular, the argument for a career system combined with life-long employment was for a long time that it allowed public employers to rely on institutional knowledge and the continuity of their employees and to enhance job protection for those employees with a regulatory or enforcement function and with jobs that need to be protected against individual and political pressure. For example, in the field of environmental policy, "absent strong job protection, environmental regulators, for example, might be loath to enforce regulations when it comes to a large company with close ties to a particular legislator or governor. But with the protection that comes with seniority, the same official can move with some confidence."¹⁹

Today, many things have changed in this respect, too. Most countries have reformed their career systems and offer many forms of organisational and individual flexibility

16 Slightly amended . See James Williams Sylvia Blackwell Shirley Gorby Philip J. OConnell Helen Russell, *The Changing Workplace: A Survey of Employers Views and Experiences*, National Centre for Partnership and Performance, 2003, <http://www.ncpp.ie/inside.asp?catid=73&zoneId=3> (last checked 16 March 2004)

17 Richard Boyle, *Towards A New Public Service*, Dublin 1195, pp. 35-36

18 Marcel Pochard, *The implications of free movement : more than a trivialisation, the standardisation of law in public office*, in *AJDA*, 27 October, p. 1999

19 J. Walters, *Life after Civil Service Reform: The Texas, Georgia, and Florida Experiences*, IBM Endowment for The Business of Government, Human Capital Series, October 2002, p. 40

and mobility – which are obligatory in some cases – to their workers. Furthermore, many tasks of public organisations have changed, which has made them more like private organisations. For example, a study in **Belgium**²⁰ on the attitude of federal civil servants reveals interesting information in this contexts. In answer to the question of what are important aspects of performing tasks efficiently, the respondents replied “offering the best service to the client” as the most important aspect.

Importance given to performing tasks efficiently in the Belgium federal civil service

Importance given to aspects of performing tasks efficiently (in order of importance)	Priorities
<ul style="list-style-type: none"> • offering the best possible service to the clients; • applying the priorities of the Minister; • executing the orders of the hierarchy and respecting laws and rules; • simplifying procedures; • evaluating the way of working. • 	No. 1
	No. 2
	No. 3
	No. 4
	No. 5
	No. 6

Source: Belgium, Artemis, 2003 (see footnote)

As this case shows, tasks and values of civil servants include issues which for a long time were believed to be typical private sector tasks and values, e.g. serving the interests of clients, but not a priority for public organisations.

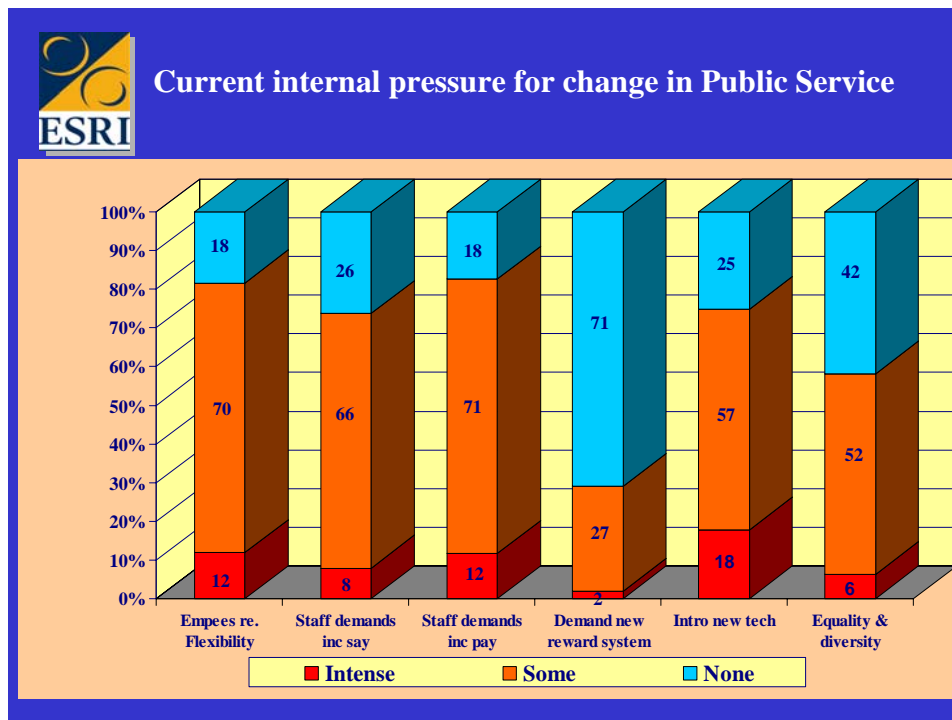
However, this does not mean that public and private organisations are currently similar and no differences still exist, some remain and a few of them are relatively banal: public organisations have a different accountability. They do not serve a private interest but a public interest. A public administration should also serve the country’s and citizens interest and not aim primarily for financial gain. As a result of their public tasks, public organisations are more “than other organisations open to certain types of environmental pressures and constraints. Public organisations tend to be subject to more directions and interventions from political actors and authorities who seek to direct and control them.”²¹ Another significant aspect in this discussion is that the private sector is influenced by the economic situation, whereas the public sector is also influenced by the political situation,²² new legal developments and stakeholder pressure.

20 European Centre for Work and Society, Artemis, Enquête générique 2003, April 2003, Brussels/Maastricht 2003, p.34. *Notons donc bien que l’enquête Artemis date d’il y a 2 ans, donc avant l’implémentation concrète de la réforme et avant les nouvelles carrières.*

21 Hal Rainey, Understanding and Managing, *op. cit.*, p. 79

22 Dutch reply to this study

In **Ireland**, a study by the National Centre for Partnership and Performance (2003) on the Changing Workplace²³ confirms this. The study found that internal and external pressures for change are different in public- and private organisations.



Source: <http://www.nccp.ie>, James Williams, Overview of Workplace Survey findings, PowerPoint presentation at the Workplace of the Future conference, 6 and 7 October 2003, Dublin Castle

In terms of internal pressures, the introduction of new technologies puts intense pressure on the organisations. In terms of external pressures, three main areas stand out as being particularly important: legislation (95%), budget constraints (94% per cent), a requirement for improved efficiency in the delivery of services (86% per cent), demands for increasing standards in service delivery (84% per cent) and international legislation (84%).

Most important current external pressures for change in the Irish Public Service²⁴

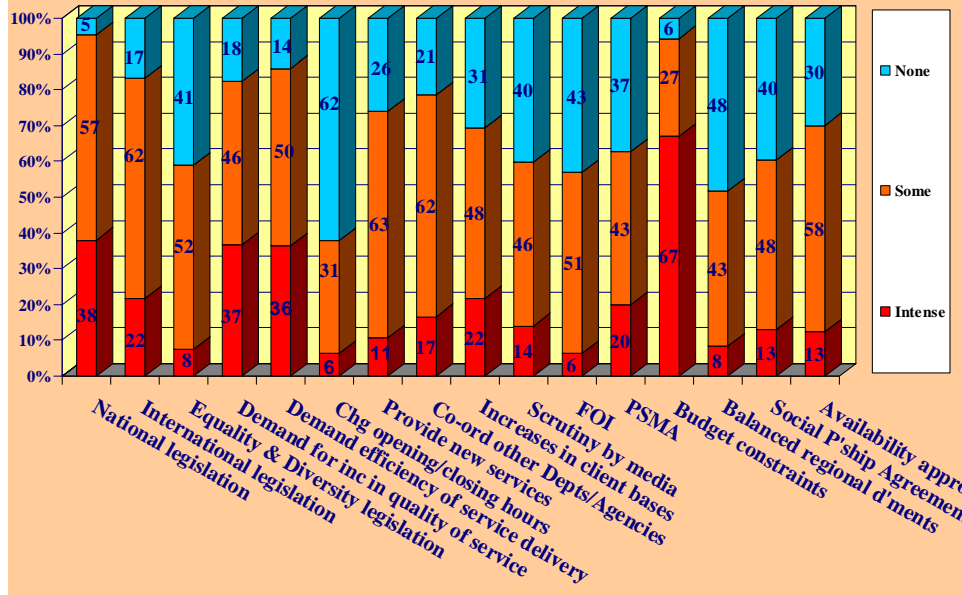
- budget constraints (67% intense, 27% some);
- national legislation (38% intense, 57% some);
- requirement for improved efficiency in delivery of services (36% intense, 50% some);
- demands for increased standards in service delivery (37% intense, 46% some);
- international legislation (22% intense, 62% some).

²³ See: [nccp.ie/dynamic/docs/308,26](http://www.nccp.ie/dynamic/docs/308,26), Slide,26 (last time checked 16 March 2005), see also James Williams Sylvia Blackwell Shirley Gorby Philip J. OConnell Helen Russell, The Changing Workplace: A Survey of Employers Views and Experiences, National Centre for Partnership and Performance, 2003, op. cit.

²⁴ James Williams Sylvia Blackwell Shirley Gorby Philip J. OConnell Helen Russell, op cit.



Current External Pressure for Change Public Service



Source: <http://www.nccp.ie>, James Williams, Overview of Workplace Survey findings, PowerPoint presentation at the Workplace of the Future conference, 6 and 7 October 2003, Dublin Castle.

“In general, the greatest barriers to adaptation to pressures are perceived to be external in origin and financial constraints are particularly prominent. Almost 80 per cent of respondents in Public Service organisations consider that budget constraints act as a major barrier in addressing pressures, and another 20 per cent regard this as a barrier. While management and organisational issues are not considered to represent major barriers to addressing pressures facing Public Service organisations these issues are, nevertheless, regarded as barriers. Two-thirds or more of Public Service organisations consider that the hierarchical nature of the organisation and high levels of bureaucracy represent either barriers or major barriers to addressing pressures. Moreover, half or more consider that management structures, the ability and experience of management, and the willingness of management to change are either barriers or major barriers in adapting to pressures. Under the human resources heading the most salient issues are appropriate responses to under and high performance. Over half of respondents consider that the extent to which one can reward high performance is a major barrier to addressing pressures facing the organisation. In contrast, almost 40 per cent regard the extent to which one can deal with under-achievement as a major barrier.”²⁵

In his analysis on Public and Private Management,²⁶ Allison arrived at the conclusion that private and public organisations also differ as regards the following aspects:

The changing workplace, A Survey of Employers Views and Experiences, see also the studies on the employees views and experiences, see under <http://www.nccp.ie>

²⁵ See The study on the changing workplace, Employers views, *op. cit.*, pp. 91

- time perspective;²⁷
- duration of employment of the employees;
- measurement of performance;
- personnel constraints, e.g. requirements as to respect principles such as equality and discrimination;
- equity and efficiency is different;
- public scrutiny is different;
- role of press and media;
- persuasion and direction;
- legislative and judicial impact.

Allison concludes “that public and private management are at least as different as they are similar, and that the differences are more important than the similarities.”²⁸

2.2. Performance in the public and private sector

Although the performance of organisations is discussed a great deal, it is important to note that only few discuss the differences between performance in public and private sector organisations. Consequently, discussions about performance assume that concepts of private sector performance should and can be transferred to the public sector. In addition, the positive aspects of the performance of public organisations are rarely discussed, though existing literature about the differences between public and private organisations confirms that “governmental organisations and managers perform much better than is commonly acknowledged.”²⁹

In fact, public service organisations usually score better than private organisations as regards explicit policies relating to respect, non-discrimination, dignity in the workplace, and as regards equality. Often, public organisations also score better in involving personnel and participative modes of management and informing their employees across a range of operational aspects of their job.³⁰ More employees in the private sector indicate they hardly ever receive information. Finally, there is no evidence that public organisations perform less well than private organisations.

²⁶ Graham T. Allison, *Public and Private Management: Are they Fundamentally Alike in all unimportant respects?*, in: Shafritz, Jay M./Hyde Albert C., *Classics of Public Administration*, 2004, p. 396.

²⁷ Allison, *Public and Private Management*, op. cit., p. 400/403

²⁸ Allinson, op. cit., p. 410

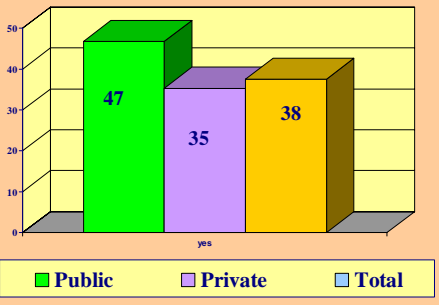
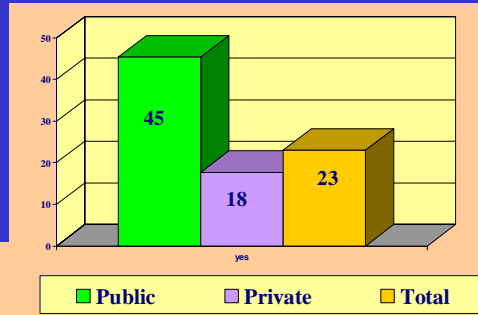
²⁹ Hal Rainey, *Understanding and Managing*, op. cit., p. 6.

³⁰ The changing workplace, *A Survey of Employees Views and Experiences*, see <http://www.nccp.ie>.



Partnership and Participation (2)

Partnership ϕ



π Participation

Source: <http://www.nccp.ie>, James Williams, Overview of Workplace Survey findings, PowerPoint presentation at the Workplace of the Future conference, 6 and 7 October 2003, Dublin Castle.

In fact, many “distinctions between public and private performance, and for-profit and non-profit organisations amount to stereotypes and oversimplifications.”³¹ Today, one of the most important stereotypes is that public organisations are not well performing and private companies are performing better. The media, in particular, report on the abundant examples of waste, inefficiency and poor performance in public organisations, while little coverage is devoted to private companies. In addition, most public discussions about failures of organisations focus on the waste of tax payers’ money but rarely focus on the waste of resources in private firms, higher degrees of control by public authorities and too many rules (red tape), especially with regard to personnel procedures such as recruitment, dismissal and training, etc.

On the other hand, there is little discussion of items such as the performance of the military administration in conflict areas (apart from the reported cases of torture in Iraq), the performance of the public social security system as to the accuracy of payments, the services of public water suppliers, the performance of the local tax administration, the police, etc.

In fact, when discussing public and private sector performance, we enter a world of various differences between public and private organisations. The reason for this is simple. Public organisations have various complex tasks that differ from those in the private sector. For example, the public service has important work to perform on equity and equality issues, demographic – and retirement issues, security and defence policies, health care, control of drugs proliferation, reforming taxes, promoting

31 Hal. G. Rainey and Paula Steinbauer, Galloping Elephants: Developing Elements of a Theory of effective Government Organizations, in: Journal of Public Administration Research and Theory, January 1999, p. 8

financial security, improving education and research, providing unemployment benefits, helping victims of disasters, improving government performance, promoting and protecting democracy, increasing market competition, protecting the global climate, stabilising agricultural prices, etc.

The variety of complex tasks and their changing character means that although the public sector enjoys success, failures also occur. Furthermore, many tasks are very specific and cannot be compared to those of a private company. Consequently, public services will always be criticised for not being able to achieve these specific public objectives and tasks.

Public service successes	Public service challenges
<ul style="list-style-type: none"> • fighting disease; • defending democracy; • fighting discrimination; • protecting society; • improving education; • extending health and life expectancy; • improving women's rights. 	<ul style="list-style-type: none"> • protecting the global climate; • fighting new diseases; • maintaining economic competitiveness; • reducing poverty; • building trust in society.

Of course, no one can be sure what the next years will hold in terms of public service tasks, objectives, priorities and achievement. The public services of the Member States will almost certainly launch entirely new ventures, e.g. enhancing the performance of public services (Lisbon process). Some tasks will be driven by scientific breakthroughs, whereas others from sudden events, catastrophes and tragedies. The national public services will also continue to work to defend their countries and to secure peace in Europe, to promote economic competitiveness, increase wealth, enhance social rights, fight discrimination, offer better education, improve infrastructure, enhance transportation, promote economic growth, spread the idea of democracy, etc.

When looking at these tasks, the public services can be proud but – at the same time – they also face huge challenges today and in the future. However, governments will continue working on many of their greatest deeds of the past fifty years.”³² Whereas in the past, they were certainly successfully in enlarging life-expectancy, reducing discrimination, extending the right to vote, improving education, “fighting threatening diseases such as polio and tuberculosis”, etc³³, they face huge tasks for the future, e.g. fighting new diseases, protecting the global climate, avoiding new levels of poverty, anticipating demographic changes, and maintaining economic competitiveness.

³² Paul Light, Government's Greatest Priorities for the next Half Century, in: Reform Watch, The Brooking Institutions, Washington D.C, No 4, 2001

³³ See Light, *op. cit.*, p. 1

Where are public organisations more successful than private organisations?

1. Policies on ethics, non-discrimination, equality.
2. Formalised participation of personnel (role of trade unions).
3. Transparency and fairness in personnel matters.

Consequently, public services are always confronted by tasks and new challenges. Successes are quickly forgotten and fade easily in the memories of the people. Apparently, “we face a dilemma in combining our legitimate scepticism about public organisations with the recognition that they play indispensable roles in society.”³⁴

We can therefore conclude that public administrations differ from private organisations as regards certain aspects, e.g. their tasks, internal and external pressures and the capacity to solve problems and challenges. Simply stating that the public and private sectors are distinct does little good.”³⁵

2.3 Different perceptions, different trust and different images

As we have seen, public organisations but also public employees are confronted with many stereotypes and images. However, many aspects of work and employment in general are underlying stereotypes and clichés in the public and in the private sector. Three cases may illustrate this.

In **the Netherlands**, an interesting study was carried out in 2003 about time intensity and stress. Time intensity and time pressure are generally seen as damaging to health and as being very stressful. However, as the study³⁶ shows, among those employees said to work quickly, 27% are happy. On the other hand, among those who do not work quickly, only 20% are. The reason for this is that people who work quickly often do so deliberately and by choice, whereas those who do not have no choice. It seems that those who are unhappy are those who do not work quickly and have no choice.

Another study³⁷ in **Germany** looked at why people work overtime. The study reveals a varied picture. People work overtime because of the amount of work and work pressure (70%), and because they feel a responsibility towards their work (60%). Some (42%) say they enjoy working a lot and the same percentage says that their superior expects overtime. Others (32%) replied it was because of social pressure (their colleagues are also working overtime) and 30% say they would be afraid to be seen as a lazy³⁸. Finally, a lot of people work overtime if they think their work is challenging. Another study carried out in the public service of the German federal state of Saarland reveals that 85% of all public employees say that they work hard.

34 Hal Rainey, *op. cit.*, p. 5

35 Hal Rainey, *op. cit.*, p. 72

36 Sociaal en Cultureel Planbureau (SCP) – Druk, Druk...geluk?, 2003 <http://www.scp.nl/boeken/speciaal/spec6/nl/html/PB.htm>

37 G. Trautwein-Kalms, Elke Ahlers, *Innovative Dienstleistungen und die Suche nach Gestaltungsansätzen in der Leistungspolitik*, in: *WSI Mitteilungen*, No 9/2002, p. 526

38 Trautwein-Kalms/Ahlers, *op. cit.*, p. 526

However, only 34% wish that the work pressure would decrease. Other (37%) say it should remain as it is and 26.2% even say that it could be greater..

These cases show that many assumptions about work and employment, e.g. overwork is bad, are the same in the public and in the private sector. However, one important difference is that stereotypes in the public service seem to be more stable and more difficult to change³⁹. Stereotypes and images about public services are common all over the globe and existed for thousands of years. "A small history of bureaucracy" by Zach (2003)⁴⁰ reveals that public services have produced public criticism since their very creation (approx. 5,000 years ago) and often for good reasons. On the other hand, bureaucratic failings have decreased in the course of time, particularly the police and tax administrations, which have become more human and disciplined thanks to the rule of law and the separation of powers.

However, many stereotypes still exist and are the same in all Member States despite differences in culture, tradition and structure. For citizens, it seems that public services are the same everywhere, no matter whether a public service is aligned to private sector practices or not. What could be the explanation for this?

In his dissertation, Steven van de Walle⁴¹ illustrates an important paradox. When citizens consider public services as individual services which are no different to private services, e.g. banks, insurance, companies, shopping, their evaluations will probably be focused more on service quality actually experienced⁴² and not on services by the state administration. However, even if most people are satisfied with specific public services they tend nevertheless to be negative towards the public sector in general.

Similarly, it seems that specific objects are always perceived more favourably than general ones. For example, it is very possible that citizens combine a positive attitude towards a specific train, with a negative attitude towards the public rail company⁴³. The same perception is true as regards the term public service or public administration. People may have positive attitudes and perceptions of specific public services (police, water supply, fire brigade, etc.), but negative attitudes towards public services in general. For example, even if people may be satisfied with the motorway network, the police, the telephone service, water supply, the courts, justice, collection of household rubbish, this does not mean that they are satisfied with the public services in general. "Katz *et al.* found that even though users were satisfied with the way service agencies handled their problem and with the fair treatment, this opinion was not necessarily generalised to all agencies or government offices. However, when citizens felt they were treated badly, they generalised their experience to the public sector as a whole."⁴⁴

39 Steven van de Walle, Karl K. Kampen, Geert Bouckaert, Bart Maddens, *Stereotype beelden over ambtenaren en overheiddiensten*, Instituut voor de overheid, Catholic University of Leuven, June 2003.

40 Manfred Zach, "Gauner, Pinsel, Chicaneure" Eine kleine Geschichte der Bürokratie, Klöpfer und Mayer, Tübingen 2003

41 Steven van de Walle, *Perceptions of Administrative Performance: The Key to trust in Government?*, Dissertation at the Catholic University of Leuven (B), 2004.

42 See Steven van de Walle, *op. cit.*

43 Steven van de Walle *op. cit.* p. 189

44 Quoted from Steven van de Walle, *op. cit.*, p. 12

In the **United Kingdom**, a study on Public Attitudes to Public Services found out that citizens are more satisfied with local public services. “*This finding of higher satisfaction locally than nationally is true of all public services we asked about: primary schools, secondary schools, bus services, train services, police, GPs and NHS hospitals.*”⁴⁵

These findings are in line with those by Van de Walle. Both show that “while people are generally trusting of those at the front line of delivering public services – teachers, doctors, local police officers on the beat – they are less likely to extend this trust to public sector managers and administrators and even less so to trust national politicians. Only a quarter of the general public say that they trust MPs and government ministers to tell the truth.”⁴⁶

It is interesting to observe that people have a low trust in senior civil servants. However, the level of trust in senior officials is considerably higher than trust in people who run large companies.⁴⁷

Which of these professions would you generally trust to tell the truth?⁴⁸

Generally trusted to tell the truth? Base: All respondents (1,097)	Yes%	No%	Net trust**%
<i>Note: Public office-holders covered elsewhere in this research are shown in italics</i>			
Family doctors	92	7	+85
<i>Head teachers in schools</i>	84	12	+72
Judges	80	16	+65
Local police officers on the beat in your area	77	17	+60
<i>Senior police officers</i>	68	26	+42
Television news journalists	49	46	+3
<i>Your local MP</i>	47	45	+2
<i>Senior managers in the National Health Service</i>	44	49	-5
<i>Local councillors</i>	41	52	-11
Top civil servants	37	53	-16
Journalists on newspapers like the <i>Times</i> , <i>Telegraph</i> or <i>Guardian</i>	38	56	-18
<i>Senior managers in local councils</i>	35	56	-21
<i>MPs in general</i>	27	67	-40
People who run large companies	24	68	-43

45 <http://www.mori.com/polls/2004/2004/cabinet-office.htm>. Last time checked on March 5 2005

46 United Kingdom, Committee on Standards in Public Life, Survey of public attitudes toward conduct in public life, 2004, <http://www.public-standards.gov.uk>, p. 70

47 United Kingdom, Committee on Standards in Public Life, Survey of public attitudes toward conduct in public life, 2004, <http://www.public-standards.gov.uk>, p. 28

48 United Kingdom, Committee on Standards in Public Life, Survey of public attitudes toward conduct in public life, 2004, <http://www.public-standards.gov.uk>, p. 28

Government ministers	24	70	-46
Estate agents	20	75	-55
Journalists on newspapers like the <i>Sun</i> , <i>Mirror</i> or <i>Daily Star</i>	7	89	-83

* Net trust = % who would trust the profession to tell the truth minus the % who would not trust the profession to tell the truth

Today, it is popular to refer to declining levels of trust in government, lack of trust in public institutions and lack of confidence in the performance of the public sector. In fact, worries and negative perceptions about the state, government and public administrations are not new. But according to Van de Walle, there is actually no definitive evidence that the citizen's attitude towards government are deteriorating.⁴⁹ However, this does not solve the problem since public perceptions about public services are still generally negative and full of stereotypes. Also policy makers worry about the low levels of trust and often identify the failing performance of the public sector as a key factor for these developments.⁵⁰

Another perception is that people associate public services with bureaucracies. Although this observation is not correct, most people still think that a bureaucratic organisation is a public organisation and never a private one. At the same time, people have great difficulties in seeing any positive aspects of a bureaucratic organisation. Today, few things are more disliked than bureaucracy, few occupations held in lower esteem than that of the bureaucrat.

To most people, bureaucracy is indeed a negative word and criticism against the public sector is the same, be it in the USA, Sweden, Japan, Great Britain or France. There is no region in the world whose nations express satisfaction with bureaucracies.⁵¹

According to Gayduschek, "bureaucracy is an entirely negative phenomenon"⁵² and usually only civil servants and public organisations are identified as the bureaucrats and bureaucracy. Both bureaucrats and bureaucracy are subject to repeated criticism by the public, in the media, and by politicians. "As a form of governance, bureaucracy has had such great success in transforming the world that most citizens of industrial nations may have difficulty imagining a world without it. But just as bureaucracy has tamed the world, the world now seeks to tame bureaucracy. Bureaucracy seems to have few friends and millions of critics."⁵³ In Germany, the popular magazine *Stern*

49 See Steven van de Walle, *op. cit.*, p. 226

50 See Steven van de Walle, *op. cit.*, p. 225

51 Derek Bok, Government Personnel Policy in Comparative Perspective, in: John D Donahue/Joseph S. Nye (eds), For the People, Can we fix Public Service, Brookings Institution Press, Washington D.C 2003, p. 260

52 György Gayduschek, Bureaucracy: is it efficient? Is it not? Is that the Question?, in: Administration and Society, Vol.34, No 6, January 2003, p. 721

53 Barry Bozane, Bureaucracy and Red Tape, New Jersey, 2000, Preface

entitled its September 2003 edition “Bureaucracy Madness”⁵⁴ (*Wahnsinn Bürokratie*) and warned that bureaucrats are becoming more and more powerful, laws and regulations more numerous and that all this will reduce economic growth and welfare. In reality, the German government has pursued a policy to reduce public employment on a yearly basis since 1990 and has a relatively small public sector.

The strong criticisms and negative sentiments are all the more surprising since most people have difficulty explaining what they mean when they complain about bureaucracy and bureaucrats. And what should be the alternative to bureaucracy and bureaucrats?

2.4. Difference between image and attractiveness. Attractive public services without a good image?

Despite all the stereotypes and a negative image, such considerations seem to have only a very limited impact on the attractiveness of public employment. Similarly, image is only partly related to the attractiveness of public sector employment. Particularly in times of economic problems, the public services of the Member States are mostly attractive employers. This was also confirmed by a Directors-General study which was undertaken by the Danish Presidency in the second half of 2002.

A good example for this argument is an Austrian Study (1999)⁵⁵ which showed that only 14.8% of public employees said that the federal administration was “one of the best” or “above average”. Some (26.2%) answered “below average” or “poor”. The rest (59.1%) were of the opinion that employment in the federal administration is “average” compared to other organisations.

Question: How do you rate the federal public administration as an organisation in relation to other organisations?

	Rating
One of the best	3.1%
Above average	11.7%
Average	59.1%
Below average	20.0%
One of the worst	6.2%

However, as regards the competitive situation of the Austrian public sector (with the private sector) another interesting question revealed the following. As to the question: “*If I were offered a comparable job (in terms of pay and social conditions), I would not leave the federal administration*”, the answers to the survey showed that the federal public sector seemed to be highly competitive, since more than two-thirds of the personnel are sure that they would not consider a change of workplace

⁵⁴ Stern, No 39, 2003, p. 42

⁵⁵ Federal Ministry of the Public Service and Sports, Results of the 1999 employee survey, Vienna, May 2002

<i>Answers</i>	<i>Rating</i>
I very much agree	27.3%
I agree	36.0%
Neither yes nor no	22.1%
I do not agree	10.1%
I do not agree at all	4.5%

Source: Austria, *MitarbeiterInnenbefragung 1997-1999 op cit.*

But why do people dislike the public service and civil servants despite the fact that they are strongly attracted by public service jobs? One answer is simple: many people are attracted by public jobs because of the job security and – often – the existence of good working conditions in times of economic uncertainty. For example, in the **United Kingdom**, a survey in 2000 by the Chartered Institute of Personnel and Development (CIPD) found that central government is “far in advance of other sectors in applying recognised good employer practices such as equal opportunities, serious attempts to provide interesting jobs, family-friendliness, involvement in workplace decisions, good employee communications, ample training opportunities; and furthermore, respondents seem to recognise the actuality of all this. The Civil Service appears as having good job security, a friendly work atmosphere (if a finding of lack of trust in the employer is ignored), good scope for individuals’ control of their jobs, and certain side benefits, e.g. opportunity to vary hours, etc, though its actual take up of these does not differ from that in other sectors.”⁵⁶

On the other hand, people dislike public organisations, e.g. police, tax, social and judicial authorities, because they are inherently controlling authorities. “Most of us do not like being controlled, even for the collective good.”⁵⁷ Also civil servants are caught in their own stereotypes about work in the public services. For example, they are often less proud of telling others what they do in their professional life. “They are found to work on average longer hours than the other sectors, while feeling that their employment is less dynamic and more bureaucratic.”⁵⁸

Public organisations are also inherently slow since they function under specific procedures and processes which should guarantee accountability of the organisation (in terms of budget, fairness and due process). In addition, public organisations are more insensitive to the individual, but instead fully committed to the common good. Public organisations are also tailored to the public interest, not to those who want individual treatment or individual flexibility (people do not want to be managed, ruled, controlled). People fear impersonal, anonymous organisations especially when allocations of responsibility are difficult to identify. Finally, public administrations do too little to advertise the rewards of public service.

Consequently, public organisations invoke the image of a self-serving, self-referential slow and hierarchical machinery than that of an organisation characterised by the rule of law, legal certainty, fairness, and a safeguard against corruption and favouritism.

⁵⁶ Quotation is copied from John Rimington, *Angst Behind The Green Baize Door?*, [http://www. http://www.sourceuk.net/indexf.html?01350](http://www.sourceuk.net/indexf.html?01350)

⁵⁷ Bozeman, Barry, *Bureaucracy and Red Tape*, New Jersey, 1995, Preface

⁵⁸ See John Rimington, *op. cit.*

Other points of criticism are inherent in the organisational design of a bureaucracy. For example, bureaucracies will never be able to compete with private-sector companies in terms of flexibility, because they are designed as a guarantee for legal certainty, standardised treatment and correctness. In fact, there is a potential contradiction between the need for more service provision and the law-governed nature of bureaucracy.⁵⁹

Popular negative images about work in the public service

- Public Service organisations are overstaffed, too hierarchical and decision-making procedures are slow and time consuming.
- Because of its hierarchical character and standardised and formalised working procedures, civil servants at mid-career level receive too little incentive and may suffer from demotivation.
- The classical public organisation is a closed system standing above society. Individual needs and requirements for flexible services by citizens are seen as a bureaucratic burden.
- Individual strengths, talents and human behaviour are not supported, since the bureaucratic organisation is supposed to be rule-oriented, impersonal and anonymous.
- The public organisation is rigid and inflexible instead of supporting mobility and flexibility. Careerism “inhibits overall elasticity in terms of quick changes in total manpower resources or the provision of persons with different kinds of skills and perspectives. It discourages lateral entry or the ingestion of new blood above the bottom or entering level....”⁶⁰
- A public organisation is rational but has no purpose. Principles such as openness, transparency and democracy are subordinated to the principle of hierarchy and efficiency.

In addition, the popular criticism against over-regulation, e.g. as regards the extremely complex remuneration systems, is often directed against public employees and the entire public service. Indeed, criticism is mostly directed against the public service since it is the administration “that carries the burden of enforcing regulation, popular or not. It may be, of course, that bureaucrats are inclined to carry out unpopular regulations as strictly as popular ones. That, naturally enough, would lead to their being targets of hostility or ridicule. Politicians can then have it both ways: produce regulations to satisfy some constituencies, and then rail against their enforcement to other constituencies.”⁶¹ Politicians often try to win elections by criticising the bureaucracy. “For many politicians seeking national office, running against

59 B. Guy Peters/Jon Pierre, Introduction: The Role of Public Administration in Governing, in: B.Guy Peters and Jon Pierre (eds.), *Handbook of Public Administration*, Sage Publication, London, Thousand Oaks, New Delhi, 2003, p. 5

60 Mosher, F.C., *The Public service in the Temporary Society (1971)*, in: Shafritz/Hyde, *op. cit.*, pp. 452/453

61 Joel D. Aberbach/Bert A. Rockman, *In the Web of Politics*, Brookings Institution, Washington D.C., 2000, p. 7

government and the bureaucracy was the ticket to ride (...). The bureaucracy was a vulnerable target...”⁶²

For many people, public services are a symbol for the state and people are willing to correct their image towards the public sector – but more easily towards negative attitudes than towards positive attitudes. Moreover, despite the negative image of the public administration and bureaucrats, “no nation lacking specific public services and a powerful government has the means of insuring either its liberty or its welfare.”⁶³ In addition, a number of countries, e.g. **Spain, Greece, Germany, France, Ireland, Luxembourg, Romania, Bulgaria, Slovakia, Slovenia**, have a career system or are in the process of introducing public service structures than may be termed rather traditional. Furthermore, **France** and **Germany** are known as countries with highly effective and efficient public services and highly qualified personnel.

In addition, it is difficult to say that countries which are supposed to have less bureaucratic structures, e.g. **Sweden, the Netherlands, the United Kingdom, Finland** or **Estonia** are quicker, more attractive, more effective and more efficient and that public officials are more motivated and perform better than in career systems. In fact, existing comparisons in public performance generally show that countries with traditional bureaucratic systems are not performing less than other countries and are some of the best performing countries.⁶⁴

Furthermore, the fact that countries with career systems have specific strengths, e.g. predictability, stability, rationality, predictable treatment, equitable treatment,⁶⁵ remains relatively unnoticed. The same could be true for other achievements. Security and stability are probably the most attractive public service values but at the same time, the advantages of typical career systems and bureaucratic organisations are often neglected. According to the **French** response, private employees have the possibility to make quicker career advances but also have more uncertainty.

Today, however, Member States should do more to change public perceptions about public organisations. The image of a bureaucracy must be replaced by that of an organisation that is “not so much a menace or a blight on the human spirit, but as a means of getting things done”⁶⁶. And even more than that.

62 Aberbach/Rockman, *op. cit.*, p. 161

63 Dwight Waldo, *The Administrative State*, Ronald Press, New York, 1948, p. 69

64 Steven van de Walle, Mierkatrien Sterck, Wouter van Dooren and Geert Bouckaert, *What you see is not necessarily what you get*, Instituut voor de Overheid, Leuven July 2004.

65 Bozeman, *Bureaucracy and Red Tape*, *op. cit.*, p. 29

66 Bozeman, *Bureaucracy and Red Tape*, *op. cit.*, p. 13

3. Are there differences within the public service? Civil servants and other public employees

Who is a civil servant in the Member States of the EU? Is it still possible to compare the concept of a civil servant in the various Member States? Recent trends in public employment make it more difficult to a) compare public employment on a European scale, and b) to define the concept of public employment and civil service employment.

The reasons for this are many: shifting trends in public employment, ongoing reforms in civil service laws, new forms of public employment contracts, new forms of recruitment, alignment trends, more mobility between the public and private sector, and Europeanisation trends, etc.

Today, many Member States are also engaged in decentralising and delegating tasks and duties, decentralising responsibilities to agencies and managers and introducing anti-discriminatory policies which should assure that minorities should have more and better access to public employment. Consequently, only few public services are centralised, unified and homogenous as was the case in the past. In Austria, for example, from the 153,762 public employees at federal level (2003), only 9,455 work in the ministries and 143,691 in *nachgeordneten Dienststellen* (subordinated services) *und ausgegliederten Einrichtungen* (outsourced authorities).⁶⁷ Many Member States have divided their public services according to political levels, e.g. **Sweden** is distinguishing between national, regional and local levels, and territorial levels e.g. **France** is differentiating between the central public service, territorial public service and health or hospital services, or according to sectors, e.g. Italy and **the Netherlands** (the latter applying a distinction between different sectors such as central governmental level, education, police, justice, etc. with either the same or distinct working conditions for public employees).

Also, the definition of senior public service is applied to very different categories of staff.⁶⁸ As regards senior officials, **Poland** makes another distinction between the approximately 1,500 nominated elite civil servants (among which 1,100 have passed a qualification procedure and 400 have graduated from the National School of Public Administration), other civil servants and public employees. It is expected that the number of nominated civil servants will further rise in the future. In the **United Kingdom**, a broad group of over 3,300 professionals are employed at this level in 55 government departments and agencies across the country. They include doctors, lawyers and scientists, as well as policy advisors and managers. In addition, some other Member States, e.g. **Belgium**, have introduced the positions of senior officials who are appointed for a definite period of time. This means that the principle of lifetime tenure is not applicable in these senior positions.

⁶⁷ Austria, Bundeskanzleramt, Das Personal des Bundes, Daten und Fakten, 2003, p. 11. to be found under <http://www.bka.gv.at>

⁶⁸ See also: Françoise Waintrop, Celine Chol, Brigitte Coué, Olivier Girardin, Michel Maréchal, Reforming Senior Management: the Experience of Seven Countries, February 2003.

As a consequence, public employees have become more fragmented and diverse and distinctions should be made between very different categories of staff, e.g. senior managers who are appointed for a definite period of time and get their remuneration on the basis of performance (and reaching their objectives), civil servants with tenure (or unlimited contracts), other public employees, short-term staff, e.g. advisors and consultants, and technical staff.⁶⁹

In addition, jobs in the public services are very different. Today, public administrative jobs range from the exploration of outer space to sweeping the streets. Both the astronaut or the person sweeping the street may be employed either as a civil servant or a public employee with an employment contract. In most cases, there is no logic behind the employment status.

Many public administrators employed under labour law are highly educated professionals who are at the forefront of their fields of specialisation. On the other hand, many employees are employed as civil servants and possess few skills that differentiate them from the most other citizens. Furthermore, some public employees who are employed under labour law draw up policies that have a nationwide impact and may benefit millions of people. On the other hand, in many countries civil servants who are employed under public law have virtually no responsibility for policy making. In both cases they are doctors, lawyers, scientists, engineers, accountants, budgeters, policy analysts, personnel officers, managers, clerks, keyboarders, and manual labourers.⁷⁰

3.1. The difficult distinction between civil servants and other public employees

The growing heterogeneity of public employment makes it interesting to compare the different categories of public employees. But before doing so, we need to know who civil servants actually are. This is no easy task. In subsequent phase, we will examine possible differences between civil servants and other public employees.

When the details are examined, the civil service employment pattern has the following characteristics. Civil servants in the central ministries, police staff, judges, diplomats and soldiers have a specific status, although they often also have a special status. However, some Member States deviate from this pattern. **Germany** employs more private employees than civil servants in the armed forces (this applies to the administration of the armed forces in Germany). In Denmark, more employees are employed under private labour law in the central ministries than civil servants. In addition, most other Member States employ staff under labour law in their central ministries. In **Denmark**, the constitutional act is based on the assumption that some state employees are to be employed as civil servants. However, neither categories and positions nor percentages have been described in detail. As a consequence, the percentages of civil servants who are employed in the different ministries differ very sharply from 2% to 84%.⁷¹

⁶⁹ See Annie Hondeghem/Line Putseys, The contractualisation of top-management: a comparative view, presented at a seminar organised at the European Institute of Public Administration, Maastricht, 25-26 October 2004

⁷⁰ David Rosenbloom and Robert S. Kravchuk, Public Administration, Fifth Edition, New York, 2002, p. 4

⁷¹ Danish Ministry of Finance, State Sector Personnel in Denmark, Copenhagen, November 2002, p. 39 and p. 40

In many countries, teachers, professors and health professionals are excluded from having a specific status. However, employment in the education sector is also regulated by specific legislation in some Member States. The health sector workforce, which usually comprises a significant element within the total public sector workforce, may be employed directly by the public sector health system or work in public-funded agencies or organisations, e.g. social insurance funded. In many countries health care is also provided by organisations in the private sector and by voluntary organisations. Subnational government employment often represents a substantial portion of the total public sector workforce – frequently over 50 percent in decentralised or federal countries, but in Scandinavian countries, too. In many Member States, however, subnational government employment is often not part of the civil service or is considered a separate, legally defined civil service.

In the EU Member States, the percentage of civil servants amongst all public employees varies between approximately 10 and 90%. In **Greece**, for example, up to 90% of all public employees are defined as civil servants under national law. In **France**, of “every 100 employees, 82% are civil servants, 14% are non-tenured, 2% are hospital doctors, 1% are State employed manual workers (...) and 1% are child minders (in local authorities).”⁷² In **Austria**, the figures for officials have gone down to roughly 45-50% for all public employees. **Germany** has approx. 40% of civil servants in public service. In **Denmark**, only approx. 36% of all public employees are civil servants (and the number is decreasing). According to Stanley⁷³, the **United Kingdom** workforce totals around 29 million of which around approximately 17.5% work in the public sector (including the civil service), other employees work in central government (principally the NDPBs, the National Health Service and the Armed Forces), public corporations (such as the BBC, Royal Mail Group and BNFL) and local government. The **United Kingdom** makes a distinction between crown civil servants and civil servants (together only approximately 550,000, which is 1.66% of the total economically active population⁷⁴) and the remainder of public employees (in total approx. 5.4 million).⁷⁵ This means that about 10% of all public sector employees are employed as civil servants.

Percentage of public employees of total employment in %

Sweden	31.7%
Denmark	30.4%
Finland	23.0%
France	23.0%
Slovakia	21.1%
United Kingdom	18.8%
Belgium	18.3%
Portugal	17.9%

⁷² France, The public employment observatory, Annual report 2003, Speech by Mr Jean-Paul Delevoye at the Meeting of the Steering Committee of the Public Employment Observatory, 9 December 2003, Paris 2003, p. 21

⁷³ <http://www.civilservant.org.uk/definitions.shtml>

⁷⁴ Generally, this is defined as the number of employed and unemployed persons. However, we have no evidence whether all Member States apply this definition. Another figure for the United Kingdom is 511,060 full time equivalent staff in the Home Civil Service and 5,930 in the Diplomatic Service. Figures are for 1 October 2003. See A Draft Civil Service Bill, op. cit., p. 8

⁷⁵ <http://www.statistics.gov.uk>

Hungary	17.8%
Poland	17.4%
Czech Republic	16.2%
Italy	16.0%
Luxembourg	15.4%
Spain	15.0%
Austria	12.9%
Greece	12.5%
Ireland	12.0%
Germany	11.1%
Netherlands	11.0%
Average EU 15	16.7%

Source: Slightly modified from OECD, 2003; OECD – Economic Outlook No. 75, June 2004; Austria, Federal Chancellery, *Das Personal des Bundes*, Daten und Fakten 2003, p. 5.

Sweden, with approx. 31% of public employees among the economically active population has almost three times more public employees than **Germany** (about 11% of the active population), but almost all public officials are employed under legal provisions and/or rules which do not differ very much from those working under labour law. In Sweden, less than 1% of the total public workforce has a specific public status (mainly judges). On the other hand, from the actively employed Germans, 1.7 million work as civil servants under public law (approximately 4.4% of the active population), including almost 800,000 teachers. It is also interesting to note that in Germany, 68% of all employees at federal level are civil servants, whereas in **France**, 87.3% of all employees of the state civil service (*Fonction Publique d'Etat*) are civil servants.⁷⁶ In Spain, this percentage of civil servants at state level is approximately 73% of all state employees.⁷⁷ In Austria, the percentage of civil servants at federal level is approximately 70% (107,006 FTEs of a total of 155,234 FTEs).⁷⁸

Member State	Percentage of civil servants among all public employees
Greece	approx. 90%
France ⁷⁹	approx. 80%
Belgium ⁸⁰	approx. 78% (federal level), approx. 50-60% (regional level)
Spain	approx. 59% ⁸¹
Austria	45-50% (66.5% federal level) ⁸²
Germany	approx. 43% (federal level 68%, federal state – <i>Länder</i> – level 58%, local level 12%) ⁸³

⁷⁶ The public employment observatory, annual report 2003, *op. cit.*, Paris 2003, p. 11

⁷⁷ Ministerio de Administraciones Públicas, Civil Service in Spain, Madrid 2002, p. 47

⁷⁸ Austria, Personnel Yearbook, 2002

⁷⁹ See the public employment observatory, *op. cit.*

⁸⁰ <http://www.statistics.gov.uk>

⁸¹ Ministerio de Administraciones Públicas, Civil Service in Spain, Madrid 2002, p. 47

⁸² Austria, Bundeskanzleramt, *Das Personal des Bundes 2003, Daten und Fakten*, p.33, to be found under <http://www.bka.gv.at>

Denmark ⁸⁴	approx. 36%
United Kingdom ⁸⁵	approx. 10%
Sweden	approx. 0.05% (almost only judges)

Source: own calculations.

Greece has a relatively small public sector (approximately 14% of the active population) but a high percentage of civil servants among public employees (approximately 12% of the total active population). This can be explained by the fact that the Greek constitution and/or civil service laws generally requires the recruitment of civil servants as public employees. Similar provisions exist in Spain and Austria. However, Austria is in an ongoing process of reducing the number of civil servants in relation to other public employees. At present, only 5.36% of the total active population have a civil service status. This means that 50% of all public employees still have a civil service status.

There are also great differences in the new Member States. Generally, most new Member States have a relatively small or very small core civil service. In **Poland**, for example, only 0.89% (the figure for appointed officials would be even lower), in **Slovakia** (excluding police and law enforcement forces) 2.30%, **Hungary** 2.6%, in **Latvia** 3.63%, in **Lithuania** 4.17%, in **Cyprus** (4.40%), in **Estonia** approximately 5% and in the **Czech Republic** 5.9% (including the armed forces) of the active working population are civil servants, whereas in **Slovenia** the figure is 17% and more than 22% in **Malta**.

At present, almost all Member States also employ private employees under labour law in what could be termed the core public services. For example, **Germany** employs more private employees than civil servants in the armed forces (this applies to the administration of the armed forces in Germany). In **Denmark** more employees are employed under private labour law in the central ministries than civil servants. In addition, most other Member States employ staff under labour law in their central ministries.

Sectors	Yes, most employees are civil servants or specific categories of staff	No, mostly employees under private/labour law	Comments ⁸⁶
Employees in ministries	Austria, Belgium (78%) ⁸⁷ , Cyprus,	Denmark (64%), Germany (32%),	In many Member States, staff in ministries can

83 Hans-Ulrich Derlien and Stefan Frank, *Öffentlicher Dienst und Gewerkschaftssystem im Wandel*, in: Die Verwaltung, 2004, p.304

84 The Danish State Sector Employer's Authority, State Sector Personnel in Denmark, Albertslund, November 2002

85 <http://www.statistics.gov.uk>

86 In Sweden and the UK, a distinction is difficult. In Sweden, the same overall labour law applies in principle to the public sector as to other sectors in the labour market. However, some groups enjoy greater employment security, e.g. judges. Consequently, most public employees do not fall within the definition of civil servant used in this survey, even though they are referred to as civil servants in Sweden.

In the UK, there is no distinction between public and private law in employment. However, a new civil service bill is being planned

	Czech Republic, Denmark (36%) ⁸⁸ Estonia, Finland, France, Germany (68%) ⁸⁹ , Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain (State administration: 73.4%) ⁹⁰	Spain (26.7%) ⁹¹ , Belgium (22%) ⁹²	also be employed under labour law and private status. In Slovenia, most employees are civil servants (80% are officials and 20% are ancillary workers).
Employees in agencies and regional authorities	Austria, Belgium, Czech Republic, Estonia, Finland, France, Greece, Hungary, Ireland, Italy, Lithuania, Luxembourg, Malta, Netherlands, Poland Portugal, Slovakia, Slovenia (50-70%), Spain (Autonomous Communities: 63.68%) ⁹³ (<i>Länder</i> in Germany: 58%)	Denmark, Latvia, Lithuania, Poland, Portugal, (<i>Länder</i> in Germany: 42%), Belgium (less than 50% of Flemish and Wallonian servants have a public-law status) ⁹⁴ , Slovenia (30-50%) are contractuels, Spain (Autonomous Communities): 36.26% are either employed as ordinary employees or as other staff ⁹⁵	In Poland, employees in agencies are mostly private employees whereas in regional authorities, they are either under a specific status or civil service corps members (voivod offices).
Armed forces	Austria, Belgium, Cyprus, Czech Republic, Estonia, Finland, France, Germany,	Denmark, Germany, Latvia, Lithuania, Malta	In Denmark and Germany, soldiers belong to the category of civil servants or special status employees.

87 Katleen Janssens, Ria Janvier, *Steunpunt Bestuurlijke Organisatie Vlaanderen, Jaarboek 2002, Tussen Bestuurkunde en Bestuurpraktijk, Spoor HRM, De mythe van het statut voorbij?*, p. 124, 2003, Katleen Janssens and Ria Janvier, Statutory and contractual employment in the Belgian public sector. The gap between theory and practice, EGPA-Conference, Ljubljana, Slovenia, 1-4 September 2004.

88 Danish State Employers Authority, *op. cit.*

89 All Figures mentioned in the table concerning Germany are to be found in: Hans-Ulrich Derlien/Stefan Frank, *Öffentlicher Dienst und Gewerkschaftssystem im Wandel*, in: Die Verwaltung, 2004, p. 295

90 Ministerio de Administraciones Públicas, Civil Service in Spain, Madrid 2002, p. 48

91 *Ibid.*

92 Janssens/Janvier, *op. cit.*

93 Ministerio de Administraciones Públicas, Civil Service in Spain, Madrid 2002, p. 48

94 *Ibid.*

95 *Ibid.*

	Greece, Hungary, Ireland, Italy, Luxembourg, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain		Personnel working in the armed forces administration, however, are mostly private employees. In Austria, contractual employment is not possible from a legal point of view. In Slovenia, approx. 80% are civil servants.
Judiciary (judges)	Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden	Latvia, Lithuania, Malta,	In Austria, contractual employment is not possible from a legal point of view. In Slovenia, approx. 80% are civil servants.
Police and law enforcement	Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain		In the UK, the police are employed as crown servants. In Austria, contractual employment is not possible from a legal point of view. In Slovenia, approx. 80% are civil servants.
Prison service	Austria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain		In the UK, prison officers are civil servants. In Austria, contractual employment is not possible from a legal point of view. In Slovenia, approx. 80% are civil servants, Since 1993, prison officers in Italy may be recruited under a special private law status.
Central banks	Cyprus, Czech Republic,	Austria, Belgium,	In many Member States, senior managers are

	Finland, Ireland, Italy, Luxembourg, Spain	Denmark, Estonia, France, Germany, Greece, Hungary, Latvia, Lithuania, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia	appointed at political level.
Diplomatic sector	Austria, Belgium, Cyprus, Czech Republic, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain	Denmark,	In Slovenia, 80% are civil servants.
Schools (teachers)	Austria (52.6% at federal level) ⁹⁶ , Belgium, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain	Denmark, Estonia, Germany, Italy, Latvia, Lithuania, Spain,	In some Member States, teachers may either be employed as civil servants or private employees. In many Member States private schools also exist. Since 1993, teachers in Italy may be recruited under private law status.
Universities (professors)	Belgium, Cyprus, Czech Republic, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain (60.96%) ⁹⁷	Austria, Denmark, Estonia, Italy, Latvia, Lithuania, Luxembourg, Malta, Spain (39.04%) ⁹⁸	In many Member States, professors at public universities have public-law status, whereas professors of private universities have private-law status. In Austria, many professors also have a public law status.
Inspectorates (food control,	Austria, Cyprus,	Denmark,	In Slovenia, approx. 80%

⁹⁶ Austria, Bundeskanzleramt, *Das Personal des Bundes*, op. cit., p. 18

⁹⁷ Ministerio de Administraciones Públicas, *Civil Service in Spain*, Madrid 2002, p. 48

⁹⁸ *Ibid.*

health and safety)	Czech Republic, Estonia, Finland, France, Greece, Hungary, Ireland, Italy, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain,	Germany, Latvia, Lithuania	are civil servants.
Nuclear Power Stations	Czech Republic, Greece, Italy, Slovenia	Belgium, Finland, France, Germany, Hungary, Latvia, Lithuania, Netherlands, Spain, Slovakia, Sweden,	A number of Member States do not have nuclear power stations. In Slovenia, approx. 80% are civil servants.
Gas and electricity	Cyprus, Ireland, Italy, Luxembourg,	Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Malta, Netherlands, Poland, Portugal, Spain, Slovenia, Slovakia, Sweden	
Financial authorities (taxes)	Austria, Belgium, Cyprus, Czech Republic, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain	Denmark,	In Slovenia, approx. 80% are civil servants.
Hospitals (nurses, doctors)	Cyprus, Czech Republic, Finland, France, Greece, Hungary, Ireland, Italy, Malta, Portugal, Spain, Slovenia,	Austria, Belgium, Czech Republic, Denmark, Estonia, Germany, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Poland, Portugal,	In many Member States, there are private as well as public hospitals.

		Slovakia, Spain,	
Local authorities	Belgium Cyprus, Czech Republic, Estonia, Finland, France, Greece, Hungary, Ireland, Italy, Lithuania, Luxembourg, Netherlands, Poland, Portugal, Slovakia,, Slovenia (approx. 80%), Spain (24.27%)	Austria, Denmark, Germany (88%), Latvia, Lithuania, Malta, Spain (75.73%) ⁹⁹	In a number of Member States, employees of local authorities have a separate law status to that of central authorities.
Fire service	Austria, Cyprus, Czech Republic, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain	Belgium, Denmark, Estonia (changes possible with effect from 1 January 2005)	In Austria, fire service workers in large municipalities are civil servants, whereas in villages they are employed on a voluntary basis. Fire service workers are often employed on a voluntary basis in other Member States, too.
Border control (customs) and aviation (air traffic control)	Austria, Belgium, Cyprus, Czech Republic, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Spain, Slovakia, Slovenia	Austria (air traffic control), Denmark, Germany, Netherlands, Poland, Portugal,	In some Member States, such as Austria, Germany, Netherlands, Poland, Portugal and Spain, a distinction is made between border control (customs) and air traffic control, with civil servants or specific categories of staff mostly being employed in customs, and private employees mostly being employed in air traffic control. In Poland, the Civil Aviation Office is responsible for providing and maintaining safe air services to, from and within Poland. Staff are subject to civil service law. In Spain, air traffic is handled by the “Spanish Airports and Aerial

⁹⁹ Ibid

			Navigation (AENA)", an Entrepreneurial Public Agency with a special legal framework. Employees used to be civil servants, but became subject to common labour law in the 1990s. In Slovenia, approx. 80% are civil servants.
Water sector	Austria, Cyprus, Ireland, Italy, Luxembourg, Slovenia	Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Italy, Latvia, Malta, Netherlands, Poland, Portugal, Slovakia, Spain	The status of employees varies according to specific functions and situations in the water sector.
Risk management/ environmental inspection and control	Austria, Belgium, Cyprus, Czech Republic, Estonia, Finland, France, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Netherlands, Poland, Portugal, Spain, Slovakia, Slovenia	Denmark, Germany, Latvia, Malta	In Slovenia, approx. 80% are civil servants.
Other		Netherlands	

Please note: The matrix shows the legal status that the **majority** of employees of the indicated Member State has in the various sectors. However, this does not mean that there might not be a minority of employees having the opposite legal status, too. This study does not show the situation in the post and telecom sectors as most of these services have been privatised

The differences in the definition of public employment illustrate why any comparison between the public and private sector and within the public sector is difficult. In the response to the questionnaire one country went even further in this respect. The Austrian response claims that it is wrong to assume that a public law status automatically implies more protection and more disciplinary rights against dismissal than a labour law status. In addition (according to the Austrian position), it is also false to state that the public sector image is poor.

In fact, in those Member States where the differences between the public and private sector have been abolished or almost abolished, the legal status of public employees has little or no impact on the loyalty of the civil servant. On the other hand, most Member States would not share this opinion. For example, some countries have attractive public services but also suffer from negative perceptions and images about work in the public sector. In addition, some Member States signal that there is a direct

link between the special status of civil servants, job security and principles such as loyalty, neutrality and impartiality.

There are many reasons for the above, the most important being the fact that civil servants still differ in many respects from private employees (and indeed enjoy a higher job protection). According to the **French** response for this study, historical and cultural reasons play a role, *“the link between a civil servant and the state (...) is different in nature to that of an employee and a private company. This link cannot simply be described by the concept of “life-time employment” (France prefers the expression “civil service career system” which is less negative) (...). This link continues throughout the entire active working life (..) and entails some obligations for the civil servant (...) but also explains the rights from which the civil servant benefits...”*

3.2. Are various tasks being performed only by civil servants (public powers)?

The traditional question of which tasks should be performed solely by civil servants has never been answered definitively.¹⁰⁰ In addition, the question as to which jobs should be done a) by public employees subject to labour law and b) by civil servants, is handled differently not only throughout the European Union, but also throughout the world. The definition of who should be a civil servant has always been linked to the question of the special nature of the duties, the tasks concerned and the nationality criteria. For example, the exercise of sovereign powers should remain the preserve of civil servants. These are measures to safeguard society, preserve order and to protect citizens. There are indeed important arguments for the above, as some groups of public employees, e.g. the police, judges and soldiers have the right to intervene – and to restrict, if necessary – the fundamental rights of citizens. It would be very difficult to allow private employees to decide the fundamental rights of citizens. Consequently, most European public services adopt similar forms of public employment and draw a clear line between the tasks which should be reserved for civil servants and those which should be given to other employees.

In some Member States, e.g. **Denmark, Germany, Spain, Greece and Belgium**, either the constitution and/or constitutional courts jurisprudence or the civil service act (or a combination) require the establishment of a statutory system of official employment. These requirements do not exclude the possibility of concluding normal employment contracts in the national civil services. However, public employment should normally consist of civil servants subject to public law and the employment of employees subject to labour law should be an exception. However, our analysis shows that in many countries, the possibility of employing staff in terms of employment contracts is NOT treated as an exception.¹⁰¹ On the other hand, many civil servants do not exercise public powers and are also employed in order to carry out technical tasks (maintenance, managing data and information, etc.). However, many public officials who are not civil servants carry out important tasks which involve the exercise of public powers.

100 Christoph Demmke and Uta Linke, Who's a National and Who's a European? Exercising Public Power and the Legitimacy of Art. 39 4 EC in the 21st Century, EIPASCOPE 2003/2

101 Ministerio de Administraciones Públicas, Civil Service in Spain, op. cit., p. 40

In fact, several Member States apply different employment relationships in the same sectors and – sometimes – for the same professions. This is also the result of new uncertainties. The separation of the state and society has decreased in all civil services and many tasks are performed that do not differ from those performed in the private sector, so that these tasks are performed “privately”. Take for example ICT experts, who may be employed either as civil servants or private employees. In both cases, they do the same job.

- The **United Kingdom** employs casual staff, as they are termed, in the national civil service. From the 534,400 employees in the British civil service (April 2004), 10,820 were employed as casual staff.¹⁰² In the past, special advisors could be appointed in the **United Kingdom** “solely for the purpose of providing advice”. However, this has caused some uncertainty over the years and special advisors did work which extended beyond giving advice. In the future, it is planned to redefine the special advisor’s general functions as “assisting” the minister. The planned civil service bill will also clarify the tasks that special advisors are not permitted to do, e.g. authorising expenditure, exercising line management supervision over the civil service or discharging any statutory powers.¹⁰³
- In **France**, of “the 199,600 non-tenured personnel employed by the ministries, 108,200, or 54%, belong to specific categories of non-tenured personnel. They perform functions which are not intended to be occupied by tenured personnel because of the particular nature of the work or because of their non-permanent character. That is particularly the case with respect to day and boarding school supervisors and temporary teaching and research assistants who make up three-quarters of the specific categories of non-tenured personnel. It is also the case with respect to local recruits in posts abroad or in the overseas territories who are subject to local law (.....). The recourse to non-tenured personnel is linked to the absence of employment limits because of certain recruitment needs (IT personnel for example) and the fact that in certain occupational sectors recruitment essentially involves non-permanent jobs, in response to occasional or seasonal requirements,”¹⁰⁴ e.g. in the technical sector, one employee in five is non-tenured.¹⁰⁵

As regards public employment and the employment of civil servants and other public employees, different national models have developed and brought their own paradoxes and complexities. Some examples:

- **Germany** has *Beamte* (civil servants), *Angestellte* (contractual staff) and *Arbeiter* (employees) working in the public service. However, all groups may perform tasks which are related to the exercise of official powers (although the German Constitution (*Grundgesetz*) stipulates differently in Article 33 GG). In

102 United Kingdom, Cabinet Office, Personnel Statistics, Media Brief, 1 April 2004

103 United Kingdom, Cabinet Office, A Draft Civil Service Bill, A Consultation Document, p. 13

104 France, The public employment observatory, Annual report 2003, Speech by Mr Jean-Paul Delevoye at the Meeting of the Steering Committee of the Public Employment Observatory, 9 December 2003, Paris 2003, pp. 28/29

105 *Ibid.*, p. 29

the various job categories, tasks are carried out which are performed in the private sector, too. Precisely because of this inconsistency in the allocation of tasks, the question of why the differences between *Beamte* and *Angestellte* actually exist is being raised continually. In addition, if *Angestellte* can perform these functions just as well (or badly), the meaning of the concept of “function connected with the exercise of official powers” is being questioned. Until now, no evidence has been presented that *Angestellte* carry out their tasks differently to civil servants.

- In **Denmark**, the percentages of civil servants varies sharply from ministry to ministry. Whereas 84% of those employed by the Ministry of Ecclesiastical Affairs are employed as civil servants, the 2% are employed in that capacity by the Ministry of Refugee, Immigration and Integration Affairs. On the other hand, 68% of all employees at Danish State Railways (DSB) are civil servants, this figure is 56% at Ministry of Taxation, but only 18% at the Ministry of Finance. Because of these differences in employment relationships, one may wonder why the Ministry of Finance employs so few civil servants and the Ministry of Taxation so many.¹⁰⁶
- In **Belgium**, civil service legislation obliges public employers to employ civil servants subject to public law as the rule, and contractual employment only as an exception. The paradox is that (for example in the Flemish part of Belgium) the “theory of the status as a rule” and the “contract as an exception” is different.¹⁰⁷ Often, many people are employed in jobs which should principally be reserved for civil servants subject to public law. According to figures from 2001, 78% of all employees at federal level are public law officials and 22% have a contractual status.¹⁰⁸ The number of civil servants decreases at regional level. For example, less than 50% of Flemish and Wallonian civil servants have a status.¹⁰⁹ Furthermore, most newly recruited public employees under the age of 34 have a private law status (at least in the Flemish community).¹¹⁰ One may wonder whether this high number of contractuels is an exception.
- In **the Netherlands**, the majority of people working in the public service have employment relationships governed by public law. However, employment relationships in the public sector have mostly been aligned with those in the private sector, though the public service performs functions which traditionally involve the exercise of official powers. For example, labour laws relating to working hours, works councils, equal opportunities, etc. are also applicable to the public service. In addition, a unified civil service no longer exists, following a decision in 1999 to divide the public sector into 12 sectors. Since then, 50% of employees in the education sector (who represent approximately 45% of all those employed in the Dutch public service) have

106 Figures are taken from the Report of the Danish Ministry of Finance, State Sector Personnel in Denmark, Copenhagen, November 2002, p. 40.

107 Steunpunt Bestuurlijke Organisatie Vlaanderen, Jaarboek 2002, *Tussen Bestuurkunde en Bestuurpraktijk*, Spoor HRM, *De mythe van het statut voorbij?*, Katleen Janssens, Ria Janvier, p. 124, 2003

108 Katleen Janssens and Ria Janvier, Statutory and contractual employment in the Belgian public sector. The gap between theory and practice, EGPA-Conference, Ljubljana, Slovenia, 1-4 September 2004.

109 Janssen/Janvier, *op. cit.*

110 Janssen/Janvier, *op. cit.*

not been appointed as civil servants. Despite intentions to continue with the normalisation process in the Netherlands, it has still not been finalised. On 16 December 1998, an Advice Relating to Civil Service Status report [*Advies van de Raad voor het Overheidspersonnelsbeleid inzake de Ambtelijke Status*] was published in the Netherlands. The report discussed whether the Dutch policy of normalisation should be continued, and examined the consequences of a possible abolition of civil service status in the case of:

- recruitment procedures for civil servants;
- the possibility of dismissing civil servants and terminating their contracts;
- the procedural rules for civil servants;
- the budget;
- fundamental rights;
- social security;
- the image of the public service;
- the integrity of the public service;
- social dialogue;
- incompatibilities between public and private law status;
- the oath.

The report concluded very pragmatically that the normalisation process in the Netherlands should be continued. However, total abolition of public law status was not recommended, not so much on the grounds of substantive reasons, but because such a step would take at least four years and would be a complex and time consuming process. In addition, the report concluded that “the right time” for the total abolition of civil service status had not yet arrived. Furthermore, the question of whether the costs for the process would outweigh the benefits¹¹¹ would also have to be considered. In the Netherlands, this very pragmatic approach still raises the question of the legitimacy of the public-law employment relationship.

- In **Slovenia**, many civil servants have a public-law status and their employment relationship is fundamentally different to that in the private sector. In this respect, the question could be raised as to why so many employment relationships are governed by public law (approximately 80% in the ministries), while many tasks are of an ancillary or technical nature and are not related to the exercise of official powers and could just as well be regulated by employment contracts modelled on the private sector. Some of the approximately 35,000 officials in Slovenia perform official tasks, e.g. some institutes employ meteorologists, statisticians or veterinary surgeons. Although these people do not execute official tasks, they are offered a special status as it is better paid.
- In **Italy**, the public service was “privatised” in 1993. Since then, a distinction must be made between civil servants subject to public-law status (who were excluded from all privatisation, e.g. judges, state advocates, military

¹¹¹ *Advies van de Raad voor het Overheidspersonnelsbeleid inzake de Ambtelijke Status*, Adviesnummer 17, The Hague, 16 December 1998 (official document without author), pp. 3-4

personnel, police officials, diplomats, prefects and to some extent professors and researchers¹¹²), public servants under a special private status, e.g. prison officers, most employees in ministries and agencies, etc., and private employees, e.g. teachers and employees in hospitals such as doctors. In this respect, one may wonder why, for example, most professors are still civil servants, whereas teachers are mostly private status civil servants and doctors are private employees.

- A very specific situation exists in **Poland** where a distinction must be made between the 4,312,000 public employees and two types of civil servants: approximately 1,500 appointed civil servants (who have passed a very difficult qualification procedure and are mostly working in the central ministries and in the diplomatic sector) and some 1,185,000 civil service employees – all subject to civil service law. Employees in the armed forces, the judiciary and the police all have a distinct public-law status, but do not belong to the 120,000 civil service corps (118,500 public employees plus 1,500 nominated civil servants). However, employees at the *voivod* offices (but not most employees of regional authorities) are established corps members. In addition, employees at the tax administration and various inspectorates belong to the 118,500 civil service corps members. These distinctions are not easy to explain (especially to non-Polish citizens).
- In **Spain**,¹¹³ positions in Spanish public service may be given to employees subject to labour law only under certain conditions.¹¹⁴ The positions that can be held by employees in terms of employment contracts, are as follows:
 - a) non-permanent positions;
 - b) positions that involve everyday tasks, such as security, caretaking, transport and other similar;
 - c) instrumental positions that relate to matters such as the maintenance of buildings, equipment and facilities, graphic arts, surveys, public safety and social communication;
 - d) positions that require specialised technical knowledge, provided that no one is available from the ranks of the public officials to fulfil these tasks;
 - e) positions that involve performing auxiliary functions of an instrumental nature or the provision of administrative support; and
 - f) positions in foreign offices that entail administrative tasks which are procedural or auxiliary in nature and that involve the operation of machinery, filing or similar tasks.

However, figures show that the percentage of employees subject to conditions other than public-law contracts is relatively high (and increasing from central to local level). Similarly, the term “subject to certain conditions” may be interpreted in a relatively flexible way.

112 Roberto Caranta, *Point de vue sur les réformes récentes en matières de fonction publique en Italie*, in Council of State (Conseil d'Etat), Public report of the Council of State, Studies and Documents, Reflections on the Civil Service, Paris, 2003, p. 405

113 Ministerio de Administraciones Públicas, *Civil Service in Spain*, Publication of the Spanish EU-Presidency 2002, Madrid 2002, p. 39

114 Ministerio de Administraciones Públicas, *Civil Service in Spain*, Madrid 2002, p. 39

- In **Sweden**, the power to recruit and to define working conditions is highly decentralised. From a comparative perspective, almost all Swedish public employees could be termed civil servants, public employees or private employees at the same time when comparing their status with their colleagues elsewhere. Despite their public status, employees enjoy the same legal situation (which is based on labour law) in the public sector as in other sectors in the labour market. Only a very small minority of employees enjoy a type of specific status, e.g. judges. As a result, less than 1% of all public employees have a working relationship that is clearly distinct from those working in the private sector. The following question can therefore be asked: What is the point or purpose of the public sector as an alternative to the private sector?

3.3. Preliminary conclusions

When looking at the different country studies, it is almost impossible to draw a clear line between the tasks that are reserved for civil servants and those which are given to other employees. In many countries, the possibility of employing staff in terms of employment contracts is NOT treated as an exception.¹¹⁵ In addition, some Member States employ civil servants and employees under private law simultaneously in the same positions. For example, in **the Netherlands**, approximately half of all teachers either have a public law status or are employed as employees subject to labour law. In **Germany**, too, teachers are civil servants in some *Länder* whether they are public employees subject to labour law (or *Bundesangestellten Tarif* – BAT) in others. In **Austria**, almost half of all federal teachers are not employed subject to public-law. In the **European Commission**, most employees are civil servants, but some are *agents temporaires* and still *auxiliaires*, as they are termed. In practice, however, the differences between the various groups are less clear and the question arises on a case by case basis of how to explain these differences on other than financial grounds.

When considering the situation in all Member States, following conclusion can be drawn: although most Member States apply a distinction between civil servants and other public employees, this distinction as such is no longer decisive for deciding which tasks are carried out by who. In many cases, public employees subject to labour law can exercise important state tasks just as good or bad as civil servants. In addition, specific job requirements can be arranged in an ordinary labour contract: qualification requirements, powers, ethical requirements, fairness, professionalism and working conditions, etc. The logical consequence for some Member States is to align the various working conditions of all public employees and to create one law which is applicable to all public employees, e.g. the *Bundesmitarbeitergesetz* in **Austria**.

¹¹⁵ Ministerio de Administraciones Públicas, Civil Service in Spain, Madrid 2002, p. 40

4. Are civil servants different because they are civil servants?

For a lengthy period, European societies believed that civil servants were linked to the authority of the state and could not be compared to employees in the private sector. Civil servants were seen as a specific category of public employees who were supposed to prepare, implement and execute government policies. For many years, almost all Member States designed their public organisations in specific ways because they expected a certain behaviour on the part of civil servants would result from specific organisational features. Traditionally, a hierarchical and formalised organisational structure, clear and rigid career paths, life-time tenure, full-time employment, seniority, advantageous pension systems and rigid remuneration systems were introduced in order to reduce as far as possible the risk of too much political influence, corruption, misconduct, the exercise of private interests and instability of government. Consequently, the traditional argument for a specific organisational structure was to produce a certain ethical status for civil servants who should be committed to the public good, neutrality, impartiality and to observing confidentiality and displaying expertise.

In many countries, therefore, civil servants were working in hierarchical organisations, had very specific recruitment procedures, specific ethical obligations, little mobility, varying working conditions and specific social security systems. Within this structure, where public service was closed off and separated from society and citizens, it was not possible for civil servants to have the right to strike or the right to engage in collective agreements relating to working conditions. In other words, civil servants were seen as a different category of staff. Because of the specific treatment of civil servants, public perceptions arose of civil servants having different personalities, being motivated by different incentives, working less hard than employees in the private sector, being more security-minded, more rule-oriented and not very innovative.

At present, despite all differences in culture, tradition, ideology and in detail between proponents of alignment and a specific career civil service, all Member States seem to take the position that at the beginning of the 21st century, civil servants are no longer people who give and take orders and implement and execute laws. For example, the right to safe and healthy working conditions, the right to fair wages, the right to freedom of expression, the right to participate in the formulation of working conditions, the right to strike (not in all positions), equal treatment issues and working time issues should not vary too much between the public and private sector. In addition, the right to take autonomous decisions in appraising, recruiting, training and in remunerating employees. Furthermore, public organisations are engaged in a process of organisational reform, and are attempting to iron out hierarchies.¹¹⁶

However, in almost all Member States specific organisational structures, the management of information, recruitment, procedures, communication patterns and

¹¹⁶ As mentioned by the United Kingdom in their reply to this study.

working procedures still differ from those in the private sector. The **Spanish** response for this study found that *“recruitment is harder, agreed working conditions are more respected by public employers than by private ones, e.g. number of working hours, retribution is generally lower, security is taken for granted, personal and professional lives are more readily compatible, career and status are valued differently by society. Clearly, persons willing to enter the civil service are aware of these differences, and therefore it may be safely assumed that there are differences in the applicants’ profiles, depending on which aspects are more valued in comparison with the private counterpart”*.

Despite the above and the historical development of national public services, surprisingly little is known about the effects of organisational and human resource management reforms on the attitude of civil servants. Surprisingly, however, in reply to the question *“Have there been recent human resource management reforms and if so, what has been their impact on the work (performance) and attitudes of civil servants?”* some Member States stated that the impact was positive and reforms are likely to increase the performance of civil servants. This optimism is in contrast to the results of various studies in the academic sector which conclude that many “reforms are paradox and have unintended consequences”¹¹⁷ and that the “era of unrestrained enthusiasm for comprehensive “big ticket” or grand reform has probably run its course”¹¹⁸. However, the studies do not suggest a counter reformation and that traditional public service features will return.

More than half of the Member States did not answer this question concerning the impact of HRM reforms on performance levels and most Member States were not able to offer evidence on the effects of the most recent civil service and HRM reforms and the resulting performance and behaviour.

One reason for these difficulties is obvious and relatively banal. There are many methodological problems involved in measuring the impact of HRM reforms on performance, motivation and work satisfaction. Likewise, there is still too little evidence concerning the relationship between bureaucratic structure and personality as well as comparisons as regards the performance of public and private employees and their values and behaviour. As regards the latter, this was also confirmed by the latest studies for the Directors-General on ethics under the Irish and Dutch EU Presidencies.

What is clear, though, is that working conditions and organisational structure have an impact on working behaviour. Any reform in the field of human resource management must therefore ask the following question: To what degree do attitudes of public officials change as a consequence of the further alignment of their working conditions to those of the private sector? These questions should be of interest to all Member States despite all methodological difficulties involved in carrying out such a study. In both cases, for example, the question whether differences exist or not is directly linked to the question of which performance incentives should or should not

117 Christopher Hood and Guy Peters, *The Middle Aging of New Public Management: Into the Age of Paradox?*, in: *Journal of Public Administration Research and Theory*, 2004, Vo. 14, No 3, pp. 267-282

118 L. Nigro, *The Reform Agenda*, in: S. W. Hays and Richard C. Kearney, *Public Personnel Administration*, 4th edition, 2003, pp. 367 and 370

be offered to civil servants. If civil servants have a specific public sector motivation, they are also in need of a specific incentive structure.

4.1. The link between organisational structures and personality

For a considerable time, organisational structures were very different in the public sector and the need for specific civil service structures was undisputed. As early as 1793, the British government developed a civil service code for the territory of India “under which officials received reasonable if not lavish pay and conditions of service. The important question of promotion was regularised in accordance with the rule of seniority as laid down in the Charter Act of 1793. It was regarded as a safeguard against favouritism and unfairness...”¹¹⁹

However, despite all changes, new evidence, scientific work, numerous publications, new developments and reforms, surprisingly little is still known about the relationship between organisational structure, personality and individual behaviour. Most experts have so far offered a number of explanations why the behaviour and performance of civil servants differ from other employees, e.g. too many rules, too little delegation and decentralisation, too much political influence, too little motivation, not enough performance incentives, no individualised development strategies and tools, decision-making procedures that are too slow. Another widely believed explanation is that public employees have too much protection against being laid off, too little incentives to perform, too little external pressure (from clients and citizens) and too many privileges. With their structures, the story goes, public employees do not have to work hard and well since it will be very difficult to dismiss or discipline them for poor performance. In this scenario, the public sector suffers from too many poor performers.

At the beginning of the twentieth century, the German sociologist Max Weber observed that there is a connection between organisational structure and personality. According to Weber, the individual becomes a cog in the machinery of modern bureaucracy. This perception had long lasting effects on the population but while modern observers would see this development as threatening for an open-minded individual, Max Weber was convinced that the anonymous cog would best fit into a bureaucratic structure. Max Weber would certainly have subscribed to the phrase of Winston Churchill’s famous remark on democracy and turned it into “Bureaucracy is the worst form of organisation – except for all the rest”. “We do not love bureaucracy, but we need it, at least until we devise workable alternative organisational schemes that permit us to retain the features of bureaucracy that we embrace eagerly – predictability and stability, rationality, reliance on expertise, equitable treatment – while discarding the features we hate – rigidity, inability to deal with special needs, and a setting of barriers between officialdom and citizens.”¹²⁰

Merton (1940)¹²¹ was actually the first scientist to analyse the connection between personality and bureaucratic structure. According to him “...the bureaucratic structure

119 E.N. Gladden, *A History of Public Administration*, Frank Cass, London, Vol. II, p. 251

120 See Barry Bozeman, *Bureaucracy and Red Tape*, New Jersey, 2000, especially the Preface and p. 19

121 Merton, Robert K., *Bureaucratic Structure and Personality*, in: Shafritz, Jay M./Hyde Albert C., *Classics of Public Administration*, The Dorsey Press, Chicago, Illinois, 2.Edition 1987, p. 111

exerts a constant pressure upon the official to be methodical, prudent, disciplined. (...). An effective bureaucracy demands reliability of response and strict devotion to regulations....”¹²²

According to Merton, the bureaucrat’s official life is structured in terms of a graded career, promotion by seniority, pensions, incremental salaries, etc., “all of which are designed to provide incentives for disciplined action and conformity to the official regulations (...). But these very devices (...) also lead to an over-concern with strict adherence to regulations which induces timidity, conservatism, and technicism”.

Another feature of the traditional bureaucratic structure, “the stress on depersonalisation of relationships, (...), the dominant role of general, abstract rules, tend to produce conflict in the bureaucrat’s contacts with the public or clientele. (...) The impersonal treatment of affairs which are at times of great personal significance to the client gives rise to the charge of “arrogance” ...”¹²³

In fact, the process of alienation of the individual's personality starts with a demand for control by the organisation. This is implemented by an official through rule compliance, with an emphasis on correctness. As a consequence, individuals become defensive, rigid and reliable. Subsequently, this behaviour (rigidity, slowness, resistance to change, attachment to rules, excessive discipline, need to control) was called “bureaupathic” behaviour (Thompson).

Merton demonstrated that certain bureaucratic structures indeed influence behaviour.

- *Seniority and career*: “The career structure supports an overconcern with strict adherence to regulations.”
- *Espirit de corps*: “There is a sense of common identity for all those who work together in a bureaucracy. They share the same interests and there is relatively little competition in so far as promotion is based on seniority, and group aggression is thus minimised. This esprit de corps may lead, however, to personnel defending their entrenched interests rather than assisting the higher officials or clients of the organisation.”
- *Process of sanctification*: “There is a tendency for certain bureaucratic norms, originally introduced for technical reasons, to become rigidified and “sacred”.”
- *Impersonality*: “The personality of the official is “nucleated” about the norm of impersonality. This, in association with the bureaucrat’s tendency to categorise all matters of concern to the organisation, frequently causes the peculiarity of individual cases to be ignored. Since the client inevitably tends to be convinced of the special features of his own problem, he often objects to such treatment. This gives rise to charges of the bureaucrat being arrogant and haughty in his behaviour.”

According to this concept, a traditional bureaucratic structure produces a bureaucratic personality which can be defined by the following:

- Subordination: a willingness to comply fully with the orders of the superior;
- Compartmentalisation: confidence in expert judgement and a need to restrict one’s concerns to one’s own area of specialisation;

¹²² Merton, in: Shafritz/Hyde, *op. cit.*, p. 112

¹²³ Merton, in: Shafritz/Hyde, *op. cit.*, p. 112

- Impersonalisation: a preference for impersonal or formal relationships with other individuals;
- Rule conformity: a desire for adherence to rules, regulations and standard operating procedures.

Merton's explanations supported the view of the entrepreneur as an innovator and individualist and the civil servant as a conformist and someone avoiding innovation. At the same time, the notion of a bureaucratic personality and the belief that adult personality socialisation develops through work organisation emerged.

Another argument why public organisations produce certain types of personalities is related to the long and complicated hiring and recruitment procedures in national public services. These procedures were increasingly considered to "interfere with the selection of highly motivated individuals" who were easily lost to private organisations.¹²⁴

After the Second World War, however, more authors claimed that these traditional views were not correct and that civil servants and public organisations differ from each other and also show a high degree of flexibility. For example, Kohn (1971) found in his empirical analysis that officials were "more intellectually flexible, more open to new experience, and more self-directed in their values than are those who work in non-bureaucratic organisations."¹²⁵

In the following, the traditional view of the rigid bureaucrat is increasingly called more and more into question.¹²⁶ Allinson concluded in his study (1984) that the "traditional image of the bureaucrat, with his dissatisfaction and insecurities reflected in pathological behaviour patterns, is not generally applicable."¹²⁷ The rigid bureaucrat concept is a false image.¹²⁸ According to Allinson, the average bureaucrat is "probably engaged in non-managerial clerical work, relatively satisfied in his job, (...) well adjusted individual who has found his niche in the organisational world. He is amenable to a degree of autonomy and will use his discretion as long as he is given a clear indication of what is expected of him... He understands the need for rules, documentation, standard procedures and specialist skills, and may well be more capable of exercising the self-discipline necessary in their use than the most prone to criticising him (...). Thus the popular view of the modern bureaucrat may be an injustice."¹²⁹

As in the case of Allinson, Goodsell revealed that "the empirical evidence reviewed to verify the "bureaucratic mentality" does very little to assure us that it actually exists. Bureaucrats have not shown to be less flexible and open-minded than non-bureaucrats, and they do not appear more rule oriented. Indeed, much evidence points

124 In our study, Lithuania and Estonia also mentioned that young officials in particular use public employment only as a starting point for a career in the private sector ("A number of young talented civil servants have used a few years of employment in the civil service as a kind of "jumping board" for new, challenging and well-paid positions in the private sector" – reply from Estonia).

125 Christopher W. Allinson, *Bureaucratic Personality and Organisation Structure*, University of Leeds, 1984, p. 39

126 Allinson, op. cit., p. 40

127 Allinson, op. cit., p. 114

128 Allinson, op. cit., p. 39

129 Ibid.

to little difference between bureaucrats and ordinary people.”¹³⁰ In his polemic “The Case for Bureaucracy”, Goodsell presented interesting socio-demographic information and data about the average civil servant. He concluded that the average civil servant is in fact not much different to other citizens. In reality, average civil servants are middle aged, middle class, represent different religions, political and educational backgrounds and include both males and females (but the composition of the sexes is different according to functions and positions/senior positions). Goodsell concluded that “bureaucrats are ordinary people”. They teach children, manage forests, program computers, chase speeders, arbitrate labour disputes, calculate benefit-cost ratios, inspect meat, enforce environmental permits, conduct research, negotiate contracts, prepare laws, fight wars, etc. “ Within a point or two, bureaucrats as a whole are identical with the general public in their concern about crime, drugs, the environment, welfare, and the condition of the cities. Their views are similar close on capital punishment, premarital sex, school bussing, and fundamentalist religion. Overall, comparability outweighs contrast....”¹³¹

In our survey, the **French** report also points to the relationship between public and private life. “*A civil servant is a civil servant as home as in the office; the stress on the work place is also taken home in the daily life*”. This also means that it is impossible to completely separate professional from private life. One cannot be a civil servant from nine to five and then an ordinary citizen. A civil servant is a citizen.

Things have now developed exactly as described above. Most recent changes in many national civil services of the EU Member States (and also in HRM reforms) stem from the fact that, as far as most of the civil service is concerned, more and more people believe that there is no longer any cogent reason for considering public functions to be of greater value than those functions performed by the private sector.¹³² Today, many civil servants “occupy positions similar to those in private enterprises with only one difference: public administration is a different branch of trade.”¹³³ In 1982, Niessen in his preliminary report to the Dutch government underlined the fact that a number of private individuals could argue that they also exercise tasks for the public good.¹³⁴ Consequently, no greater value is attached to the public interest than to the private.¹³⁵ It is clear that these observations challenge not only career systems but also the traditional justification for specific organisational structures and a specific legal status for civil servants. If the civil servant appears identical to a bank employer or a farmer, a special legal relationship would seem superfluous. This would also make professional public-law civil servants dispensable, as all you would need is a manager, technician, office worker, lecturer, specialist or secretary, all of whom who have to respect the same values as everyone else.

130 Charles E. Goodsell, *The Case for Bureaucracy, A Public Administration Polemic*, Third Edition, Chatham, New Jersey, p. 123

131 Charles E. Goodsell, *The Case for Bureaucracy, A Public Administration Polemic*, Third Edition, Chatham, New Jersey, p. 114

132 See Christoph Demmke, *Civil Services between Tradition and Reform*, Maastricht, 2004, p. 94

133 Ron Niessen, *Legal Position of civil servants; the process of standardisation*, in: Ministerie van Binnenlandse Zaken en Koningsrijksrelaties (ed.), *the Dutch Civil Service*, Kluwer, Netherlands, 2004, p. 27

134 C.R. Niessen, *Preliminary report to the Dutch Government 1982, Bestaat er aanleiding de rechtspositionele verschillen tussen ambtenaren en civielrechtelijke werknemers te handhaven?* [Is it necessary to maintain a distinction between civil servants and private sector employees regarding legal status?] p. 146

135 See Demmke, *Civil Services*, *op. cit.*, p. 94

Employees fulfil an equally valuable role, irrespective of whether they are working in a bank, a chemical plant or in the field of biotechnology (which is essential to ensure the stability and preservation of the social system). Consequently, a doctor or teacher working in a private school or hospital performs just as important a function as a public servant such as a police officer or a tax official. In addition, it would be difficult to argue why teachers (if they are civil servants) should be civil servants with specific ethics in one country if they perform well in other countries without that civil service status. All these arguments support the position that that “civil servants are not different because they are civil servants.” In fact, differences in mentality, motivation or job attitude have more to do with individual characteristics and the sector in which they work, but not with the fact that people have a specific legal status and work in a specific organisational environment. This opinion is widely shared in the Member States.

5. Differences between public employees and private employees

Who “sees government and business values as contradictory, will probably also stress the potential dangers of interaction.”¹³⁶ “Fears are often expressed that exposing managers to the private sector might cause them to lose their integrity....”¹³⁷ The discussion about possible differences between the public and private sector is often interwoven with the discussion about problems arising from an intermingling of different values.¹³⁸

Positions on value differences and value conflicts

Public and private sector	Intermingling is no problem	Intermingling is a problem
Sector values are similar		
Sector values are different		

Whereas some Member States are of the opinion that public and private sector values are different, others point to the need of looking at the issue on a case by case basis. For example, according to the **Swedish** reply, the differences are not fundamental. *“The differences within the sectors are probably much more significant than differences between the sectors as whole. On the other hand, studies show that the types of work, organisational culture, etc. affect the values of an employee. Our point is that professional values, organisational structures, living standard, etc. are factors that exist regardless of whether an organisation belongs to the civil service or not.”*

A study by Huberts/Kolthoff/van den Heuvel on “The Ethics of Government and Business: What is valued most?”¹³⁹ concludes that public servants value expertise as the most important value. Whether this is also the most important value for private sector employees is not known. However, when asked what the key values should be, civil servants mentioned “meeting targets” as the most important key principle of their work.¹⁴⁰ Meeting targets is also an important value for private sector employees. Furthermore, the authors of the study conclude that civil servants are confronted in their daily life with a considerable number of values which are more or less valid in the public and private sector: accountability, collegiality, competitiveness, consistency, cooperativeness, courage, dedication, effectiveness, efficiency, expertise, honesty, impartiality, innovation, lawfulness, obedience, profitability, responsiveness, self-fulfilment, selflessness, service orientation, social equity, sustainability and transparency.

136 With the permission of the authors: Leo W.J.C. Huberts, /Emile W. Kolthoff/Hans van den Heuvel, The Ethics of Government and Business: What is valued most, EGPA Study Group “Ethics and Integrity in Governance”, Paper presented in Portugal, July 2003 (not to be quoted in publications)

137 *Ibid.*

138 *Ibid.*

139 *Ibid.*

140 Huberts/Kolthoff and van den Heuvel, *op. cit.*, p. 8

Another survey by van den Heuvel, Huberts and Verberk on the values of Dutch civil servants arrives at interesting conclusions.¹⁴¹ According to the authors, morality is likely to be higher in the public sector or the same as in the private sector¹⁴² but the authors do not find any difference between ethics of senior officials and ordinary workers. Besides, civil servants often face dilemmas where they have to decide on issues where different values contradict one another (rule of law versus efficiency). Depending on the dilemma (citizens orientation versus correctness), these situations are valued very differently and differ from situation to situation.¹⁴³ However, it would be unfair to suggest that people from the private sector are more corrupt and immoral and that civil servants are moral. “It is perfectly possible, in the mixed economy of service provision, for an individual to take with them an ethos from one institution to another (...) whether in the public or private sector...The culture within the organisation is the crucial factor.”¹⁴⁴ However, it is clear that people coming from elsewhere also bring other values with them.

The above-mentioned studies show that, at present, it seems that nobody can say for sure whether values and morals in the public sector are different or similar to that in the private sector. However, it is possible to conclude that moral “dimensions and criteria can be applied to all kinds of organisations (...) and business ethics and public sector ethics share at least some basic values and norms.”¹⁴⁵

5.1. Are civil servants more neutral and impartial than others?

The fact that civil servants should be neutral is still one of the most important prevailing principles in national civil service laws. For example, as Pochard writes, “The foundations and principles, linked to the fact that the public employer – which due to its missions and prerogatives is not an ordinary employer – are today as in the past necessary in order to equip civil servants with a "state", and to shield (protect) them from favouritism and from the arbitrary and to allow them to dedicate themselves with impartiality and autonomy to the public service.”¹⁴⁶

Strangely enough, the word neutral is rarely defined. What form does neutrality take? Is neutrality possible at all? Does status produce neutrality and are those employees who do not benefit from a status non-neutral? How important is lifetime tenure in this respect?

Today, because of the fact that politics and administrations are different elements of the same process, one may ask whether civil servants can and should be neutral at all, and – as paradoxical as it may sound – neutral for whom?¹⁴⁷

141 J.H.J. van den Heuvel/L.W.J.C. Huberts/S. Verberk, *Het Morele Gezicht van de Overheid*, Lemma, Utrecht, 2002.

142 J.H.J. van den Heuvel/L.W.J.C. Huberts/S. Verberk, *Het Morele Gezicht*, *op. cit.*, p. 93

143 J.H.J. van den Heuvel/L.W.J.C. Huberts/S. Verberk, *Het Morele Gezicht*, *op. cit.*, pp. 114/115

144 United Kingdom, Seventh Report of the Public Administration Committee, p. 4

145 Huberts/Kolthoff/van den Heuvel, *op. cit.*, p. 4

146 Marcel Pochard, *op. cit.*, p. 1909

147 Julie Dolan and David H. Rosenbloom, *Representative Bureaucracy, Classic Readings and Continuing Controversies*, Armonk/New York, London, Sharpe, 2003, p. 27

One could probably agree about the need to have neutral officials in the sense of absence of corruption and political indoctrination. But what about neutrality in the sense of absence of personality and individual political opinion? Would it not be better if civil servants followed their own personal values rather than adopt “cold-fish indifference but responsiveness to political direction, an acknowledgement of democratic political supremacy?”¹⁴⁸ Or to put the question differently, “In dealing with public administration, including police, in which types of functions or positions is it better to have Weber’s bureaucrats?”¹⁴⁹ Apparently, civil servants must differ in various positions

Like employees in the private sector, public officials are never neutral in their work. They bring their social origin, socialisation experience, attitudes and behaviour (elite officials, upper class, women are different, minorities)¹⁵⁰ although it is still not clear whether social origins or administrative culture matter more.¹⁵¹ Total neutrality is impossible (Kingsley). “One need not be surprised...to discover that the Civil Service also reflects the basic inequalities of the social structure and the prevailing temper of the nation.”¹⁵²

But the fact that civil servants are not neutral does not mean that they are politicised. The principal activity of public officials is still drafting and implementing laws, regulations and programmes. Every day, public officials must advise ministers on important decisions to be taken. In addition, civil servants also carry out a growing number of other activities. The growing volume of secondary legislation (or in EU terms, comitology) and trends towards decentralisation and agencification raise not only important questions about the neutral role of civil servants, but also about democratic accountability, fairness and control of civil servants’ executive decisions.

In addition to implementing legislation, civil servants also play a growing role in advising politicians in the policy-making process. Moreover, the EU decision-making process has become a forum for civil servants who initiate community legislation. In addition, one of the most remarkable developments in the past few years has been the growing contact and opportunities for communication between citizens and administrators.

Finally, neutrality may also conflict with the need to staff the civil service according to the composition of the population. “Representative bureaucracy is desirable because it makes government as a whole more representative” and “promotes equal opportunity and equality.”¹⁵³ However, it also creates permanent tensions between the principles of merit and neutrality. Despite this, there is an important question about whether representative bureaucracy in terms of race, sex, demography, etc. produces different outcomes, e.g. an administration with more women might produce different

148 Samuel Krislov, Representative Bureaucracy, in: Dolan/Rosenbloom, *op. cit.*, p. 27

149 Dolan/Rosenbloom, *op. cit.*, p. 30

150 Dolan/Rosenbloom, *op. cit.*, p. 78

151 *Ibid.*

152 J. Donald Kingsley, Representative Bureaucracy, in: Dolan/Rosenbloom, *op. cit.*, p. 12

153 Dolan/Rosenbloom, Theoretical Underpinnings, *op. cit.*, p. 6

results than the same administrative unit with more men.¹⁵⁴ According to a recent study published by Rosenbloom *et al.*, the answer seems to be affirmative.¹⁵⁵

Adherence “to the minority representative role perception is positively associated with policy outcomes consistent with minority interests. When administrators see themselves as representatives of minority interests, policy outcomes responsive to those interests are more likely to be achieved.”¹⁵⁶ Furthermore, the more disadvantaged groups are employed in a public authority, the more likely it is that more disadvantaged groups will be employed in general. However, as “education levels increase, respondents are less likely to see themselves as representatives of minority interests.”¹⁵⁷ In addition, as tenure in the federal government increases, “administrators are less likely to adopt this role.”¹⁵⁸ The call for neutrality may therefore produce positive and negative effects: “Weberian neutrality is not always advantageous.”¹⁵⁹

There is as yet no single accepted theory about the pros and cons of representative public service. “In fact, tension exists between those camps who prize neutral competence and merit principles as guiding values for public personnel administration and those who uphold equal employment opportunity and representation of diverse social groups as the most essential values.”¹⁶⁰

To conclude, the discussion shows that neutrality (in the sense of absence of own interests and opinion) is an inappropriate discussion, focusing on the wrong topics. It is not possible to have neutral civil servants. Instead, it is necessary to have loyal civil servants who are aware of ethical problems, the dangers of corruption and the problems involved with political favouritism.

5.2. Why should civil servants be different at all? Should they be different?

Proponents of alignment trends between the public and private sector and supporters of maintaining differences between the sectors either stress that there are differences in values or no differences at all. They then derive different arguments and explanations why civil servants should be different – or not.

- a) However, in both groups there is little controversy about the need for a public service. As Fukuyama shows,¹⁶¹ effective and powerful public services are

154 Sally Coleman Selden, Jeffrey L. Brudney and J. Edward Kellough, *Bureaucracy as a Representative Institution: Toward a Reconciliation of Bureaucratic Government and Democratic Theory*, in: Dolan/Rosenbloom, *op. cit.*, p. 125

155 Sally Coleman Selden et al, in: Dolan/Rosenbloom, *op. cit.*, p. 125

156 Sally Coleman Selden, Jeffrey L. Brudney, and J. Edward Kellough, *Bureaucracy as a Representative Institution: Toward a Reconciliation of Bureaucratic Government and Democratic Theory*, in: Rosenbloom, p. 150

157 Sally Coleman Selden *et al.*, in: Rosenbloom, *op. cit.*, p. 146

158 Sally Coleman Selden *et al.*, in: Rosenbloom, *op. cit.*, p. 146

159 Gregory S. Thieleman and Joseph J. Stewart, Jr., *A Demand Side Perspective on the Importance of Representative Bureaucracy*, in: Dolan/Rosenbloom, *op. cit.*, p. 181

160 Sally Coleman Selden *et al.*, in: Rosenbloom, *op. cit.*, p. 31/151

161 Francis Fukuyama, *State Building Governance and World Order in the 21st Century*. Ithaca, NY: Cornell University Press, 2004

important instruments for a country to be politically stable and economically competitive. All Member States of the European Union also agree about the need of having public organisations and public services that differ (at least in some ways) from private sector organisations.

- b) However, there is less agreement about the role of the state and the need or otherwise for liberalisation, privatisation and management in the field of some specific services. Should the field of general interests (gas, post, telecommunication, etc.) be specific? Today, most services are not yet fully privatised. One reason for this is that there is a special link between the state and the citizens as regards the provision of services of general interest and their importance for the country and its people. For example, principles such as equal access to high quality services, affordable prices, fundamental needs of the state and the citizens (the provision with water for example), national independency, financial accessibility, etc., play an important role in some Member States that also argue for maintaining some differences between the services of general interest and private services.
- c) Finally, Member States differ very much as to the question of whether and how public employees should be treated differently to private sector employees.

It is possible to separate the Member States according to those who believe that civil servants are a very specific category of employees. Consequently, they should be treated differently to other employees and even under a different legal status (mostly under public law). On the other hand, there are a number of Member States who argue that civil servants should not be treated differently and are simply a different category of workers like other employees. In the following, we will present the arguments put forward by both sides.

5.2.1 Arguments for differences between public and private employees

Arguments *for* maintaining a specific civil service status that differs from an ordinary employment contract are often based on the following assertions.

Proponents for maintaining differences between public and private sector employees argue that work in the public service is specific and – by nature – different from work in the private sector. Consequently, civil servants should also be treated differently because they:

- are given considerable power and responsibilities;
- set legal and normative standards for citizens;
- have a responsibility to provide leadership;
- may intervene directly in the basic rights of citizens, e.g. police;
- are financed and paid from the public purse in order to carry out work for the public.¹⁶²

162 National Centre for Social Research/Centre for Research into Elections and Social Trends, Guiding Principles: Public Attitudes towards Conduct in Public Life, January 2003, p. 22

Therefore, civil servants bear special responsibilities for the public. They exercise public powers on behalf of the country. They spend public money for important government projects. They raise taxes. They hunt down criminals. They protect the people. They take decisions which have an impact on the fundamental rights of citizens. They decide on health and on risk protection. The level of power or responsibility awarded to public officials can be seen as requiring the imposition of some specific duties, rights and obligations for carrying out that role properly. For all these important tasks, it is important that the public servants exercise their role properly, and act lawfully, honestly and loyally without acquiring any personal advantage. In short, this means that they must have a specific ethos because the exercise of public tasks require fairness and leadership as regards a number of principles (equity, equality, non-discrimination, impartiality, loyalty and neutrality). In particular, experiences in many former communist countries show that the public service can be used as an instrument for the political elite. In order to avoid this, clear and distinctive ethical obligations are needed for all public employees.

The specific tasks also require specific working conditions and in some cases a specific legal status or legal status which links the person to the state. In particular, those employees who are directly participating in the exercise of powers, who are intervening in the fundamental rights of the citizens, who spend public money and who are safeguarding the general interest of the state (or of other public authorities) should have a specific status which binds them to a public interest. Following this argument, it is important to define clearly those categories and posts which fall within these categories. Some Member States have done so for work in the ministries, agencies, courts, police, fire prevention, defence sector, etc.

Another important argument for a specific status, specific working conditions, specific recruitment procedures, life-time tenure or unlimited contracts, etc., is to reduce as much as possible the risk of too much political influence and instability of the government. According to the **French** answer:

“The principle argument in favour of the life-time principle is not the remuneration. On the other hand, the protection of the civil servant is a serious argument. The employment guarantee is also an independence guarantee against all pressures, either private or political. But this protection is not sufficient in itself”.

It is also necessary that they benefit from a protection “*against all threats, violence (...) etc.*” from which they could be victim when exercising their position (Section 11 of the law of 13 July 1983 pertaining to the rights and obligations of civil servants)”.

In particular, judges, the judicial authorities, police, defence bodies and the financial sector are in need of specific working conditions. For example, some Member States do not allow police officers the right to strike. Finally, another argument for maintaining differences is of a structural character.

Despite popular doubts, there is no denying that Member States with relatively traditional civil service systems are performing well. Almost all existing benchmarking studies on public sector performance cannot prove that reformed public services perform better than traditional public services. In addition, countries with

high public expenditures mostly have a good economic performance and are highly competitive countries. On the other hand, in these countries some experts argue that many modern HRM reforms in the national public services have the objective of aligning the public with the private sector and working conditions in the public sector with those in the private sector. At the same time, however, it is precisely these developments, e.g. closer contacts between the private and public sector, more direct exchanges with citizens and companies, more mobility between the public and private sector, which provoke discussion about the need for a specific status or ethical status.

Indeed, as unfounded as some of these arguments look to many, they are grounded on traditional and long-standing assertions are supported by many. In addition, proponents of a specific civil service status sometimes argue that many of the new management reforms do not produce only positive results. In fact, many reforms have also produced new problems.

Shortcomings and problems in the field of HRM in many reformed public services
<ul style="list-style-type: none"> • problems in performance measurement and fair treatment of employees; • new administrative burdens and scientific management due to the introduction of new targets, performance contracts and performance measurement; • the emergence of poor leadership as a consequence of the decentralisation of more responsibilities; • more problems with unethical behaviour and more conflicts of interests; • more fragmentation of the national civil services and accountability problems; • more stress and overwork of employees (also related to downsizing policies); • declining levels of job satisfaction and commitment; • frustration because of new budgetary constraints; • new difficulties in respecting procedures and guaranteeing fairness because of focus on results; • new rules (particularly due to new accountability requirements) despite trends to deregulate and attempts to introduce regulatory impact assessments; • problems in motivation of staff because of a lack of career development and promotion opportunities.

5.2.2. The civil servant as a dying species. Arguments why civil servants should not be different

Opponents of a specific civil service status argue that the tasks of civil servants are not more specific or more valuable than those carried out in the private sector. In addition, critics of traditional civil services point to the disadvantages of traditional career civil services. Their arguments can be summarised as follows.

1. **First argument:** Even if public tasks are specific, this does not require a specific civil service status or specific legal contractual status. For example, any specific requirements can be easily arranged in an ordinary employment law contract (which is often based on collective agreements).

2. **Second argument:** The terms “essential functions of the state” and “safeguarding the general interest” are difficult to interpret. In addition, it is also not possible to argue that civil servants carry out more important tasks than private employees. Are doctors, workers in chemical companies, nuclear power station employees, farmers, bank and biotechnology staff not carrying out public interest tasks?
3. **Third argument:** Many current reform trends reveal an enormous paradox in many Member States with a specific career system. In these countries, working processes, working conditions and organisation structures are different in private and public organisations. However, there is very little evidence that the actual behaviour of public employees differ from those working in the private sector. In addition, traditional career models suffer from many well-known shortcomings. But what is then the point of having public employees who are treated differently than other employees?

Shortcomings of traditional career civil services
<ul style="list-style-type: none"> • long decision-making procedures in traditional bureaucratic structures; • too strong separation between the state and the society; • too little transparency, openness and citizen orientation; • too little focus on results; • too little performance incentives for employees; • too long and too complex recruitment procedures; • focus on rigidity and centralisation and too little mobility; • too much rigidity, e.g. in working time flexibility; • too strong focus on seniority and political favouritism; • too little career development possibilities for older staff; • too little incentives for the young to assume leadership positions; • too little training and possibilities for life-long learning.

4. **Fourth argument:** The public service is often seen as an apolitical apparatus which is supposed to be neutral when implementing government policies. However, more and more civil service critics agree that this classical model of public service was shaped in a world that no longer exists. Today, the national public services has become much more complex and the separation between the state and the private sector is diminishing through the creation of agencies, public-private partnerships, quangos, outsourced and decentralised authorities, inspection authorities, etc. Consequently, the general development is that the public sector is becoming increasingly intermixed with the private sector. Government is developing into governance.
5. **Fifth argument:** In some Member States, the constitution provides for an obligation that public service tasks should generally be carried out by civil servants with a special status. In reality, however more and more

contractual employees are also being employed in these countries. Evidence so far suggest that these employees do not perform differently to civil servants. At present, therefore, it is becoming more difficult to justify why civil servants should be treated differently at all. Are these employees really in need of specific ethical obligations? Would these groups perform worse or differently if they were just the same as anybody else?

6. **Sixth argument:** Today, many Member States are also in a process of changing organisational structures, introducing more mobility, abolishing career structures and seniority principles, and aligning working conditions and working patterns to those existing in the private sector. As regards the civil service status, all of these developments are followed by a bottom-up process, which means that more public employees at local and regional level, rather than central level, are being offered a private law status. As a consequence, the number of public officials with a specific status is decreasing. So far, there is very little evidence that local services deteriorate because of the changing status.
7. **Seventh argument:** In a growing number of Member States, changes in the national civil service and also in HRM reforms also derive from the simple conviction that, as far as most of the civil service is concerned, there is no longer any cogent reason for considering the public function performed by the state to be of greater value than the functions designated to the private sector,¹⁶³ so no greater value is attached to the public interest than to the private.¹⁶⁴ However, this popular conviction challenges not only career systems, but also the traditional justification for a specific civil servant status and specific ethics. When the state ceases to be above society and stands alongside it, a special relationship between public servants and the state seems superfluous. In addition, this makes civil servants with a specific legal status dispensable, as all you need is a public manager, technician, office worker, lecturer, specialist or secretary who also have to respect the law (and contractual provisions) like everybody else. While it is true that civil servants work with a view to protecting order, life and freedom, they have only taken on a job different to an employee working in a bank or a chemical plant who is fulfilling an equally valuable function in his or her job (which is essential to ensure the stability and preservation of the social system). A doctor working in a private hospital therefore performs just as important a function as a public servant such as a police officer or tax official. In addition, it would be difficult to argue why teachers (if they are civil servants) should be civil servants with specific ethics in one country if they perform well in other countries without that civil service status.
8. **Eighth argument :** Specific structural and organisational differences between public and private employment are not important for upholding specific ethical requirements and for carrying out public functions

¹⁶³ See Christoph Demmke, *Civil Services between Tradition and Reform*, EIPA, Maastricht 2004.

¹⁶⁴ See Demmke, *ibid.*

properly. What is more important for establishing an efficient and effective civil service are good working conditions, an appropriate administrative culture, openness, accountability, fairness and legal correctness, etc. For example, the fact that Sweden has a very low level of corruption seems to justify this opinion that working conditions and culture are more important than specific structures and questions of status.

9. **Ninth argument:** In many Member States, civil servants are more expensive than other public employees.

Are differences between the public and private sector necessary? The case of the United Kingdom

Where should differences remain between civil servants and private employees? Where are they necessary and where not?	The case of the United Kingdom
<p>1. Specific ethical requirements, e.g. taking an oath, specific principles, codes of ethics, rules on conflicts of interest, values).</p> <p>2. Specific status and contractual situation, e.g. life-time tenure, more difficult to dismiss civil servants.</p> <p>3. Pay and Social security, e.g. should civil servants be paid differently to comparable positions in the private sector?</p> <p>4. Organisational structure, e.g. is there a need for a more hierarchical, bureaucratic and formal organisational structure?</p> <p>5. Recruitment, (e.g. is</p>	<p>1. There are specific codes of ethics. However, all people have ethical requirements and must abide by the law. Other groups, too, e.g. bankers have other codes of conducts.</p> <p>2. No life-time tenure, still no civil service act.</p> <p>3. Recognition that public service is competing in the market, no further differences necessary.</p> <p>4. Process of levelling of hierarchies in both the private and public sector.</p> <p>5. Recruitment should fit the purpose but</p>

<p>there a need for a specific recruitment system and procedure, specific knowledge and studies required?</p> <p>6. HRM (need to centralise certain responsibilities in HRM), e.g. pay, right to strike, social security, working time.</p> <p>7. Working conditions, e.g. should there be more variation in working time?</p>	<p>there is no explicit reason for differences.</p> <p>6. Centralisation only in the senior civil service.</p> <p>7. No need for specific working conditions, but civil service should lead, e.g. in fairness, equality, ethics, etc.</p>
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In other words, depending on the nature of the various positions, there is no need for a specific public service (organisational) and specific public service requirements, e.g. ethical requirements could be laid down and arranged in individual employment contracts. Alternatively, differences are indispensable in order to guarantee a specific public service behaviour.

Surprisingly, we still have very little knowledge, empirical evidence and hard facts which could validate or reject one of the two positions. However, this survey will present many hard facts and interesting information which may facilitate a preliminary conclusion.

6. Is public and private sector motivation different?

6.1. The problem with motivational theory

There are many pressures and circumstances rather than one force that pushes people in a given direction, no matter where they are working. Consequently, motivation is an inherently complex and ambiguous word. Obviously, this is even more the case in the public sector because of the existence of many ambiguous goals and targets.

Generally, there is still no certainty how and whether motivation, stress and satisfaction alone determine performance. For example, whereas some believe that ability and competence are important motivational factors, others point to other motivational factors such as power, self-interest, serving the public interest, serving a particular policy, pay, security and benefits, challenging work and /or career possibilities.

Early motivation theories distinguished between satisfaction theories, intrinsic incentives (to which performance-related pay belongs) and extrinsic incentives. Extrinsic motivation drives people to do things for rewards or pressures, rather than for the pleasure of it. Unfortunately, in many papers and public discussions, extrinsic motivation is placed opposite to intrinsic motivation, even though both have to be seen together. Because of these distinctions, many experts claimed that private sector employees were mostly motivated through extrinsic incentives and public service employees through intrinsic incentives, e.g. idealism, working for the common good, etc.

Today, despite assuming more responsibilities, many managers are insufficiently aware of the relationship “in which both intrinsic and extrinsic types of motivation affect performance and work satisfaction (...). One of the most subtle and demanding complexities has been found to occur when extrinsic rewards are given for performance in a task which would otherwise have been undertaken purely out of interest. But effects of the interaction are not simple and have been a subject of extensive debate in recent years. How extrinsic rewards affect intrinsic motivation obviously has many implications for the management of incentives for work and study where both extrinsic rewards and intrinsic motivation are very often found together.

Extrinsic rewards have been found to reduce intrinsic motivation, but not in all circumstances. The majority of published research has dealt with the effect on motivation rather than performance, but consequent effects can be evident in performance, and there are many theoretical predictions supported at least in part by empirical findings. When people are intrinsically motivated they tend to be more aware of a wide range of phenomena, while giving careful attention to complexities, inconsistencies, novel events and unexpected possibilities. They need time and freedom to make choices, to gather and process information, and have an appreciation of well finished and integrated products, all of which may lead to a greater depth of learning and more creative output. Extrinsic rewards tend to focus attention more narrowly and to shorten time perspectives, which may result in more

efficient production of predefined or standardised products. Job satisfaction and long term commitment to a task may also be affected”.¹⁶⁵

Besides the incentives discussion, the motivation discourse, too, is still highly disputed. There are no clear answers to what motivates people. Despite all research undertaken within the last century, there is still no coherent motivation theory but many isolated theories, e.g. Maslow’s Needs Hierarchy, Mc Gregor X and Y Theory, Herzberg motivation and dissatisfaction factors or equity or expectancy theories, etc. Indeed, each theory may work in different situations, but none of them is universally applicable. Despite all the work done in the field and the emergence of many new and popular theories, e.g. knowledge management, life-long learning, emotional intelligence, a sense of disappointment seems to reign in the field since none of these above theories have prevailed. In addition, methodological problems pose huge: how do you define, measure and assess motivation? How do you measure the effect of extrinsic and intrinsic incentives? What is the relation between motivation and performance?

6.2. Are persons who are applying for public service jobs different?

A traditional position “in the literature is that public employees are more motivated by non-pecuniary benefits and inducements than private employees..”¹⁶⁶ and “...public employees are more motivated by the opportunity to do good, to participate in public affairs...”¹⁶⁷ “Public employees have different motivational levels because they want to help the less fortunate, protect society, or participate in grand projects”.¹⁶⁸ “Private employees, in turn, are purported to be motivated by money and the materialistic beliefs of work”¹⁶⁹ Finally, the literature also maintains that “public employees are more ethical than private employees”.¹⁷⁰

Only rarely do experts argue that public and private employees are motivated in similar ways. In this study, **Ireland** argued that “Staff are attracted to the public service for a variety of reasons, including salary levels, security of tenure, family-friendly policies, the range and quality of work available, and supports available for training and personal development”. All these reasons may be the same, whether in the public or private sector.

Our survey in the Member States of the EU does indeed show that public employees follow different motivational patterns than private sector employees. The **French**, **Dutch** and **Spanish** responses to this study also indicate that the motivational level of public employees is not a reaction to the sector, but often something employees bring to the sector. Therefore, public employees are not different because of their employment status but because of their personality which guides them towards the

165 David Beswick, Management implications of the interaction between intrinsic motivation and extrinsic rewards, <http://www.beswick.info/psychres/management.htm> (last time checked on 9 March).

166 J. Norman Baldwin, Public versus Private Employees: Debunking Stereotypes, in: Review of Public Personnel administration, Vol. 11, No.1-2, 1990-1991, p. 3

167 *Ibid.*

168 *Ibid.*

169 *Ibid.*

170 J. Norman Baldwin, Public versus Private Employees, *op. cit.*, p. 2

public service, e.g. people are attracted by public sector employment because of their interest in doing useful work for society, doing work with a purpose, etc.). In fact, in this study, most Member States are of the opinion that persons applying for jobs in the public service have a different motivational profile than those applying in the private sector, e.g. they are more idealistic or feel attracted by jobs because of the work content or the higher job security in the public sector.

In your experience, are those persons applying for jobs in the public sector different to those in the private sector, e.g. as regards flexibility, more or less open-minded, idealistic, motivated by different incentives, etc. ?	In your experience, are those persons applying for jobs in the public sector different to those in the private sector e.g. as regards flexibility, open-minded, idealistic, motivated by different incentives, etc. ?
<p>Not or mostly not:</p> <ul style="list-style-type: none"> • Finland; • Germany; • Poland; • Denmark; • Finland; • Malta; • Austria; • Slovenia; • Italy; • Slovakia; • Czech Republic. 	<p>Some differences do exist:</p> <ul style="list-style-type: none"> • France; • Spain; • Portugal; • Estonia; • Cyprus; • Netherlands; • Belgium; • Hungary.

Job applicants and civil servants have some specific features but these are not existing because of a specific legal status. Most differences do not result from the fact that people are civil servants. On this point, the opinions of the Member States are more or less clear.

Differences exist, however, in the details. Whereas some Member states claim that “*jobs in the civil service are different*” (answer from **Slovakia**), others are of the opinion that differences exist because of the different profile of people who are attracted by jobs in the public services. Or as the **Dutch** reply to our survey puts it, “*The persons applying for jobs in the public service do have a different profile, however it is not a black and white story. It has also to do with their character*”. This opinion was shared by the **Spanish** report which stated that the popular or unpopular civil servant stereotype means that public employees are less flexible and open-minded than private sector employees. “*However, personal experience and indeed common sense show that flexibility and open-mindedness are personal traits which vary largely from one individual to another, regardless of the public or private nature of their jobs (...). Also, inflexibility and risk-avoiding mentalities probably fall more into the category of personal character: as many characters as many individuals*”. In addition, the response from **Latvia** indicated that all attitudes can be found. “*The profiles of personality really depend on occupational characteristics. Policy analysts, higher managers, project managers, communication specialists, lawyers can be*

characterised as more idealistic, open minded, creative personalities. Persons applying for positions of accountability or control functions are more security minded”.

One explanation for these differences can also be found in the fact that job applicants are more attracted by private sector jobs rather because of their perceptions and to a lesser extent because of their exact knowledge of the jobs offered. In searching the job market, “people usually perceive occupations and employing organisations, not precisely and realistically, but in terms of vaguely generalised cultural pre-judgments. Therefore, individual preferences for government or business jobs reflect not only their own job priorities, but their perceptions of which sector will better satisfy their needs”.¹⁷¹

If this is true, then public employers should invest in providing better information to the public about the true nature of public employment. All the same, when seeking a job, too many people are guided by perceptions rather than realistic information.

What is common between public and private sector employees?
<ul style="list-style-type: none">• flexibility;• open-mindedness;• creativity;• growing attraction of the job and not so much the employer.

In the end, the real issue at stake is the following: civil servants are not necessarily different because they are civil servants. Instead, many people want to become civil servants because the people are different.¹⁷² At present, there is more evidence that the second hypothesis may be more correct than the first.

In both sectors, job seekers typically rate financial rewards, job security, worthwhile, useful, interesting, and challenging work, opportunities for advancement, and satisfactory working conditions as the most important considerations in choosing a job. As regards private sector employees, they indeed seem to be more likely to choose high income as the most important aspect of their jobs, whereas in the case of public employees, pay ranks as number 2, 3, 4 or 5. Taking such considerations into account, one can argue that the conclusions about public versus private differences are generally consistent but not significant. However, they are significant enough in order to suggest the need for alternative motivational mechanisms in public organisations.

In particular, “job security is still a major selling point of public sector employment”¹⁷³ since “those who strongly valued job security were more likely to want to work for government...”.¹⁷⁴ Furthermore, those “who placed a higher priority

¹⁷¹ Gregory B. Lewis and Sue A. Frank, Who wants to work for the Government?, in: Public Administration Review, July/August 2002, Vol. 62, No. 4, p. .., p. 396

¹⁷² French answer to this report

¹⁷³ Gregory Lewis and Sue Frank, Who wants to work for the Government, op. cit., p. 402

¹⁷⁴ Gregory Lewis and Sue Frank, Who wants to work for the Government, op. cit., p. 398

on helping others and being useful to society were slightly more likely to choose government service, though the impact was weaker than the literature might suggest”.¹⁷⁵

Most responses from Member States to this study clearly showed that the cliché of the bureaucratic, inflexible and rigid civil servant is totally wrong and outdated. At the same time, Member States are still confronted with this incorrect but enduring image. As regards this issue, the answer from the **United Kingdom** seem to be representative for many countries, “*We work hard to move away from the image of risk-avoiding and inflexible civil servants and our advertising reflects the need for innovative and open-minded people*”.

6.3. Is there a specific public sector motivation?

6.3.1. Introduction

For all public employers, it is extremely important to understand whether motivational factors really differ in the public than in the private sector. If public sector motivation is different to private sector motivation, the question emerges of how performance and motivation incentives must be structured. Here, one may differentiate between extrinsic incentives, intrinsic incentives and factors such as prestige. One could also make a distinction between rational motives for motivation (participation in the process of policy formulation, commitment to public policies because of personal identification), norm-based motives, e.g. a desire to serve the public interest, loyalty to the government, and affective motives, e.g. patriotism (Perry/Wise, 1990). On the other hand, if management, employees, motivation and performance in public organisations are not different from private business or industry, this would also run counter to the development and advancement of a theory of public service motivation.¹⁷⁶

It is equally important to note that up till now, there scant evidence has been presented regarding demotivational factors in the private and public sector. Are demotivational factors similar or are they different? The few existing studies seem to show that there are differences. For example, public employees tend to be concerned about too many rules, too much bureaucracy, frustrating administrative and political constraints and complexities, and over certain extrinsic factors, such as constraints on pay and promotion.¹⁷⁷ On the other hand, private sector employees are more concerned about extrinsic factors, bad leadership and the lack of internal communication. Consequently, “as the research also shows, the problems in the public sector may not be more severe than those in the private sector, but rather simply different”.¹⁷⁸

¹⁷⁵ Gregory Lewis and Sue Frank, Who wants to work for the Government, *op. cit.*, p. 399

¹⁷⁶ Perry/Wise, *op. cit.*, p.372

¹⁷⁷ Hal Rainey, Understanding and Managing, *op. cit.*, p. 285

¹⁷⁸ Hal Rainey, Understanding and Managing, *op. cit.*, p. 288

6.3.2. *Different motivations between public and private employees*

Many scholars continue to believe that “a basic and strong correlation exists between job satisfaction and job productivity (...), that a happy employee is a productive employee. Unfortunately, this relationship is not as simple as one might expect. In fact, considerable empirical evidence fails to support an assertion of a strong, direct relationship between job satisfaction and productivity (...). This, however, does not mean that job satisfaction is completely unrelated to productivity. Some more recent research suggests that performance may influence satisfaction rather than satisfaction influencing performance”.¹⁷⁹ “Alternatively, job satisfaction may also have an important indirect influence on organisational productivity by reducing costs associated with employee absenteeism and turnover (...) Such costs may be hard to quantify but are nonetheless, real”.¹⁸⁰ Job satisfaction has been found to be related to retention and “increased communication with employees about job responsibilities (...) may lead to enhanced levels of employee job satisfaction...”.¹⁸¹

Today, conventional wisdom still holds two perceptions about the motivation of civil servants.

a) As regards the first perception, the stereotype is about the “unmotivated public employees who come to work late, take long breaks, leave early and who generally do not work very hard...”.¹⁸²

In reality, almost all serious studies show that the first assumption is simply wrong. Public officials are not lazy. An early survey from Baldwin showed that there is plenty of evidence that public employees are equally motivated, especially at the managerial level and above, equally to more satisfied and have similar values to private employees (although they have different ethical obligations). Public employees demonstrate consistently higher levels of educational achievement, they are equally efficient, more security seeking, “not lazy, incompetent, inefficient, and unethical relative to private employees”.¹⁸³ Baldwin concludes in his study that “...public employees are not deserving of the stereotypes that stigmatise their image..”.¹⁸⁴ In the first study in 1984, Baldwin concluded that there are no “differences between public and private sector motivation”¹⁸⁵. “In conclusion, the stereotypical image of the lazy, uncaring bureaucrat may have little basis in reality. The public may simply tend to be more aware of irresponsible and incompetent public employees because “open government” allows us to scrutinise the public sector more thoroughly than the private sector. As a consequence, the shortcomings of a few may often become an indictment of the many”.¹⁸⁶

179 Bradley E. Wright/Brian S. Davis, Job Satisfaction in the Public Sector, in: American Review of Public Administration, Vol. 33, No 1, March 2003, p. 86

180 Wright and Davis, *op. cit.*, p.86.

181 Wright and Davis, *op. cit.*, p.84

182 Baldwin, Public versus Private, *op. cit.*, p. 7

183 Baldwin, Public versus Private, *op. cit.*, p. 19

184 Baldwin, are we really lazy? , *op. cit.*, p. 85

185 Baldwin, Are we really lazy?, *op. cit.*, p.85

186 Baldwin, Are we really lazy?, *op. cit.*, p. 86

A more recent study by Frank and Lewis (2004)¹⁸⁷ revealed that despite “the strong cultural stereotype that government workers are lazier than those in the private sector, nearly two thirds of the public servants (...) reported doing the best work they could, even if it sometimes interfered with the rest of their lives. They were more likely than those in the private sector to report working this hard despite having lower pay, fewer advancement opportunities, and greater job security (...). Wanting job security was the only extrinsic motivator that even approached statistical significance, and government jobs are widely recognised to be more secure than those in the private sector. These advantages of government jobs, plus the facts that public servants tend to be older than private-sector workers and that older employees report working harder, explain the public-private difference in reported work effort.

b) As regards the second perception, many believe that public service employment is a calling, a sense of duty, rather than a job. Consequently, public administrators are characterised by an ethic to serve the public, hence they are motivated by different job characteristics than are private-sector employees.

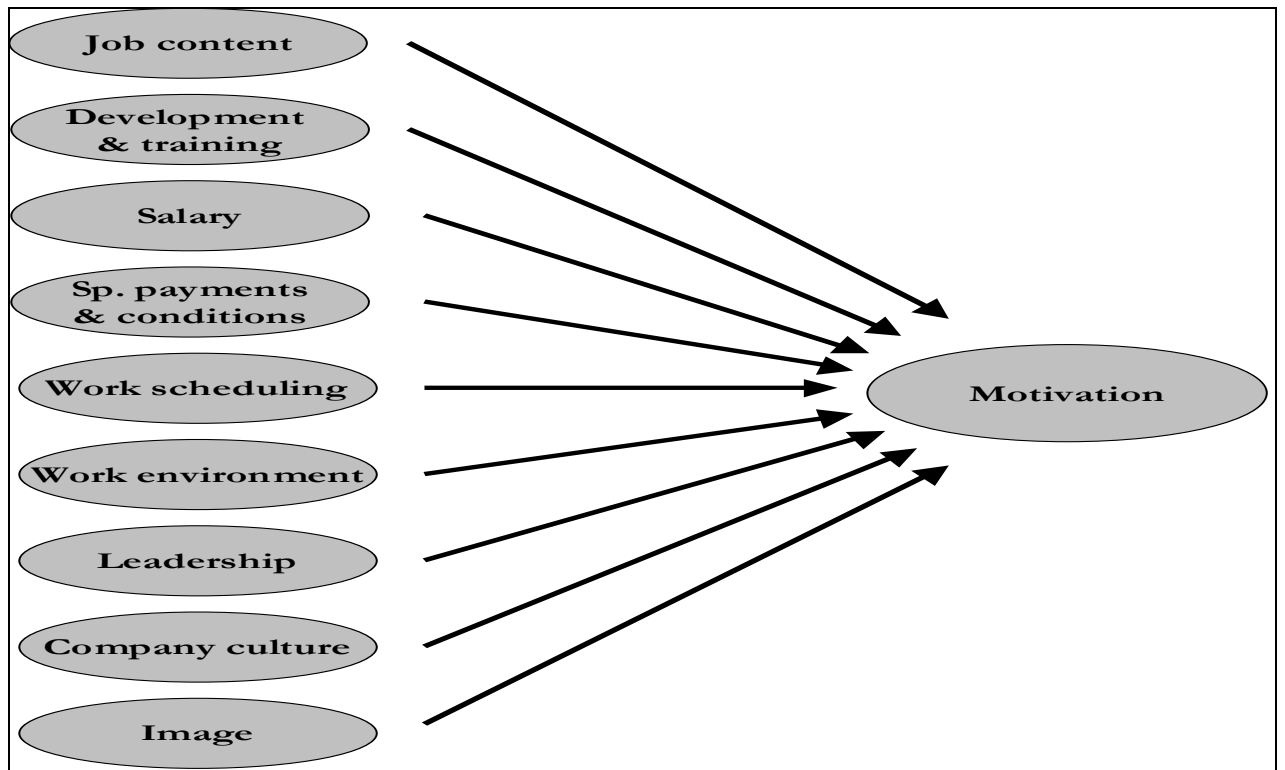
Indeed, most studies come to the conclusion that public servants are more motivated by the content of the work and the possibility of contributing to the “common good”. Often, this is seen as an “immaterial motivator”. Consequently, performance measurement systems in public service are often required to provide for better immaterial incentives, e.g. career development, training, promotion, holidays, and not too many material incentives (or material punitive instruments).

In 2000, the Danish Ministry of Finance carried out a comprehensive survey on motivation in the private and public sectors (central government).¹⁸⁸ The survey analysed nine motivational factors, N.B. the motivational criterion *security* is not mentioned in the Danish study:

- job content;
- development and training;
- salary;
- specific payments and conditions;
- work scheduling;
- work environment;
- leadership;
- company culture;
- image.

187 Sue A. Frank, Gregory B. Lewis, Government Employees, Working Hard or Hardly working?, in: American Review of Public Administration, Vol. 34. No. 1, March 2004, pp. 36-51

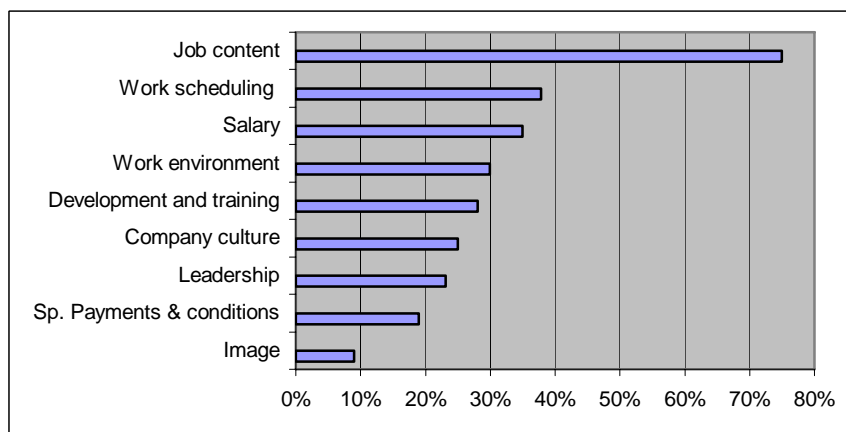
188 Danish Ministry of Finance, Motivation in the Danish Central Government, June 2001. The study is also available in English.



Source: Danish Ministry of Finance, 2001

The results of the survey reveal that job content is considered to be by far the most important motivational factor. Factors coming second and third are work scheduling and salary, followed by work environment, development and training, and company culture and leadership. Although image seems to have the lowest priority, the survey revealed that “when employees have to say what they mean by a good image, 69% of respondents state first of all that the workplace should have a reputation for high quality and professionalism.”

The most important motivational factors



Source: Ministry of Finance, 2001

Central government employees were asked which three motivational factors they consider to be most important. Job content is definitely the most important motivational factor. As many as 75% of employees state that job content is one of the

three most important factors. The second and third highest prioritised motivational factors are work scheduling (38%) and salaries (35%). These two factors have become significantly more important for employees during the last three years, as can be seen when compared to the results of a survey carried out in 1997. Further down the list, central government employees prioritise factors such as work environment (30%), opportunities for development and training (28%), company culture (25%) and leadership (23%), whereas special payments and employment conditions (19%) and image (9%) have the lowest priority. It should be noted that security is not mentioned as a motivational criterion.

Interestingly, the study confirms many studies in the academic field where public employees are strongly attracted by the content of the work. Other factors like pay are equally important. However, they are not as important as for many employees in the private sector.

Apart from criteria such as work content and pay, Houston¹⁸⁹ in his study on public sector motivation also argued that public sector employees “attach less importance on status and prestige”¹⁹⁰ and “place less importance on higher pay and more value on work that is important, when they are compared to private-sector workers”.¹⁹¹ In addition, public-sector employees also “value job security more highly than do private employees”, a finding that is consistent with a general stereotype of public servants.¹⁹²

Furthermore, “public employees are more likely to place a higher value on the intrinsic reward of work that is important and provides a feeling of accomplishment, and they are less likely to place a high value on such extrinsic reward motivators as high income and short work hours. These findings indicate that public-service motivation does exist. Individuals who are employed in public organisations value different motives than those who are employed in private organisations”.¹⁹³

These findings from Houston are similar to those from Perry and Wise, who argued that the motivational bases of public and private service are also different, and that businesses can motivate their workers with pay and advancement but the public sector can undercut its intrinsic motivators if it relies too heavily on extrinsic motivators such as pay. According to the authors, the public sector should change the motivation question and focus on the specific motivational bases of public service. Although pay (as one of the most important extrinsic motivator) may inspire public employees to be more motivated and to perform better, the opportunity to serve the public interest (as one important extrinsic motivator) would seem to be more important for public employees. They also argued that employers could draw the conclusion that the public sector may be able to attract and retain highly motivated employees with lower pay and that intrinsic rewards such as performance related pay would be less effective in government than in the private sector.

189 Houston, David J., Public Service Motivation: A Multivariable Test, in: *Journal of Public Administration Research and Theory*, Vol. 10, No. 4, 2000, p. 713

190 Houston, Public Service Motivation, *op. cit.*, p. 716

191 Houston, Public Service Motivation, *op. cit.*, p. 724

192 *Ibid.*

193 *Ibid.*

The Perry and Wise study was also confirmed by authors such as Naff and Crum in 1999 and Hal Rainey who concluded that public managers cared less about monetary rewards than did private managers.

In 2002, in their study on *Who wants to work for Government?*, Lewis and Frank found that those “who placed a higher priority on helping others and being useful to society were slightly more likely to choose government service...”.¹⁹⁴ Both authors concluded that there are different motivational effects in the public sector and that public-sector employees do value useful, helpful, interesting jobs more than those in the private sector, although pay and advancement opportunities appear to have no greater impact in the private than in the public sector. “Private-sector employees valued high income and advancement opportunities more – and interesting work, helping others, and being useful to society less – than public-sector employees generally, but both assigned quite similar importance to job security”.¹⁹⁵ “Public administrators differed from their private sector counterparts primarily in their stronger desire to help others and to be useful to society”.¹⁹⁶ Public workers “were more likely than those in the private sector to report working this hard despite having lower pay, fewer advancement opportunities, and greater job security”¹⁹⁷ (p. 46).

In 2003, Brewer compared civil servants and other citizens with regard to several important civic attitudes and behaviours that are closely related to social capital. These elements include social trust (in politics, institutions, neighbours, etc.), social altruism, e.g. helping people, equality, tolerance, humanitarianism, and civic participation. This empirical survey concluded that “public employment is a substantively important and highly significant predictor of civic participation. Overall, public servants are far more active in civic affairs than are other citizens, and they appear to be catalysts for the building of social capital in society at large”.¹⁹⁸ The study could not answer why civil servants have different values. Because they are civil servants? Or because they are different and wanted to become civil servants.

Interestingly, these more recent studies give rise to new questions since they suggest that the further aligning of the public with the private sector will make the public service less attractive for people with specific values and attitudes. This again will affect public service values. Consequently, according to these studies differences between the public and private sector exist also in the field of personality. However, one should not overestimate the importance but “*they are real*” (“*mais elle est réelle*” – **France**).

194 Gregory B. Lewis and S. A. Frank, *Who wants to work for the Government?*, in: *Public Administration Review*, July/August 2002, Vol. 62, No. 4, p. 399

195 Frank . Lewis, , p. 43

196 Frank and Lewis, *Government Employees*, *op. cit.*, p. 43

197 Frank and Lewis, *Government Employees*, *op. cit.*, p. 46

198 Gene A. Brewer, *Building Social Capital: Civic Attitudes and Behaviour of Public Servants*, in: *Journal of Public Administration Research and Theory*, Vol. 13, No 1, 2003, p. 5

6.3.3. *Being job-security minded and other specific features of civil servants behaviour*

In order to discover more differences between public and private sector employment, Member States were asked to answer to the following question: *Are civil servants more security minded, more inflexible and risk-avoiding?*

Interestingly, many Member States agreed that civil servants include more “security minded personalities” and are attracted by the job security in public service. In addition, many Member States reported that additional differences exist.

According to the **French, Greek, United Kingdom, Hungarian, Italian, Luxembourg and Belgian** answer to this study, job security is an essential motivational factor when applying and working in the public service. However, **Belgium** points to the fact that within the last few years, candidates for public sector posts have also become more interested in the content of the function and less in the employer itself. The **French** answer, too, agrees that it is not possible to confirm that job security is the most important factor why people are attracted to posts in the public service. The **Swedish** answer (which is also more or less representative for many answers) is very clear on this point. *“Probably not, on the contrary, work in the civil service often demands a constant learning, an ongoing development of skills and a permanent partaking in different processes of change (...). More than 50 per cent of the Swedish civil servants carry a university degree. Since well educated people tend to be more open-minded, the civil servants may very well be so”*.

Other answers from the Member States also point to the fact that civil servants are highly qualified and very open-minded. For example, the answer from **Cyprus** shows that *“a large number of applicants in the public service are, indeed, usually more security minded, seeking life employment...However, they are not necessarily more inflexible or risk avoiding, but are usually people who are highly qualified, open-minded, self-motivated (...) and eager to perform”*.

In addition, the **French** report underlines that younger public service employees also have a greater interest in training than private sector employees. But it is not possible to say for sure whether this interest is related to greater openness (of mind) or whether public employees have better possibilities to get access to training possibilities. Also interesting is the fact that the **French** answer shows that more women are attracted by jobs in the public service than men (*“le rêve de devenir fonctionnaire est formulé plus fréquemment par les femmes”*).

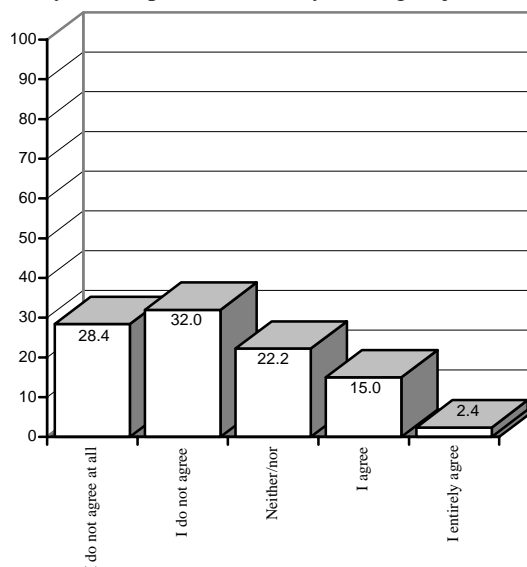
Differences between public and private sector employees – replies of Member States)
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- | |
|--|
| <ol style="list-style-type: none">1. Job security as important criteria.2. People have higher educational levels in public service.3. More women are attracted by public service jobs.4. Public officials are more interested in training.5. Public officials are more idealistic. |
|--|

6.3.4. New evidence – no differences at all?

In 2001, Alonso and Lewis¹⁹⁹ (2001) contradicted the Perry/Wise argument that individual incentive programmes such as performance-related pay (PRP) are less effective or are even counterproductive. Both found that rewards would work as performance incentives if public employees could be convinced that “advancement and rewards depend on performance”²⁰⁰ and promotion and pay decisions are positively related to performance. “If agencies could convince employees that advancement and rewards depend on performance, they might increase productivity” for individuals.²⁰¹ The **Swedish** reply to this report stated that it is doubtful whether public employees are really attracted by incentives other than those for private employees. A survey in **Austria** also supports the Alonso/Lewis thesis. In fact, “money seems to matter” for public employees. In Austria, public officials were asked “Would you accept a lower salary if job security is high?”, 60.4% of those asked answered ‘I do not agree at all’ or ‘I do not agree’.

“I am ready to accept a lower salary as long as job security is high”²⁰²



Does this mean that governments should use pay more or less to motivate workers? The answer seem to be “both”. Pay matters as much as in the private sector, but public employees also value intrinsic motivators more than private-sector employees.

What does this mean for the future? Will new reforms enhance job motivation? In this study, we could not answer this question. However, some studies show that there are reasons to be concerned. Studies by Paul Light²⁰³ in the United States have shown that

199 Pablo Alonso and Gregory B. Lewis, Public Service Motivation and Job Performance, in: American Review of Public Administration, Vol. 31, No. 4, December 2001, pp. 361-380

200 Pablo Alonso and Gregory Lewis, Public Service Motivation and Job Performance, *op cit.*, p. 377

201 Ibid.

202 Federal Ministry of the Public Service and Sports, Results of the 1999 employee survey, Vienna, May 2002

203 Paul. C. Light, Government’s Greatest Achievements of the Past Half Century, in: Reform watch (Brookings Institute), *op cit.*; Paul C. Light, The Troubled State of the Federal Public Service, Brookings Institution, Washington D.C., 2002; Paul C. Light, To restore and review, Survey of public officials, in: Government Executive, November 2001

– on the whole – the work ethos is declining and motivational levels are dropping, e.g. because of negative effects of downsizing in the United States. Lewis/Frank also found out that younger employees have a lower work ethos than older employees. In addition, the **United Kingdom** answer reports “*while central government workers are in receipt of the largest number of progressive human resource practices, they continue to report lower levels of morale and less satisfaction with changes taking place at work compared with workers in other sectors. Furthermore, findings show that:*

- *Public sector workers remain a little more satisfied overall than those in the private sector, but the gap is narrowing.*
- *Response on work satisfaction reveals a steady decline year on year in work satisfaction in the public sector. Private sector workers report the reverse trend.*
- *Those working in central government appear to be less motivated than workers in other sectors.*
- *There are marked differences within as well as between sectors, as for example in the findings for nurses and teachers.*
- *Compared with other major sectors, many civil servants and people working in departments and executive agencies are dissatisfied and lacking in motivation. They do not show a high level of trust in their employer or feel a great deal of loyalty towards their organisation. In some cases they do not feel that senior management has delivered on its side of the deal”.*

Needless to say, these findings give cause for concern. However, they do not indicate whether the work ethos is declining in the private sector, too. Furthermore, there is no evidence as to whether the declining work ethos is only a temporary problem. In order to look at this more closely, further research on the motivational level of public employees is needed.

6.4. Motivation and Pay

Traditional remuneration systems were established decades ago and remained stable for some time. The traditional focus on careers, stability, seniority and positions made sense when the vast majority in the public service had similar qualifications and jobs. However, during the past decades, the workforce and the work have changed greatly. In particular, qualifications have become much diverse and work has become highly skilled and increasingly specialised knowledge work. In addition, important changes in values have taken place. Today, civil servants want to be seen as individuals and to be treated individually. It seems as if traditional pay systems with their career ladders, time-based pay increases and specific allowances are increasingly reflecting a slowly disappearing concept of employment. “That model is designed to reward loyalty by

providing stable and secure employment, reflecting and meeting those needs”.²⁰⁴ At present, employees themselves “expect immediate rewards and recognition for their individual accomplishments..., e.g. if two employees perform similar jobs, but one has a greater workload, he/she wants better pay”.²⁰⁵

Today, the process of individualisation, flexibilisation and decentralisation of pay is still continuing in almost all Member States,²⁰⁶ although the differences are considerable in the field of pay: whereas Sweden has a totally individualised pay system (every agency negotiates individually with its employees), pay is still highly centralised in Germany (although current reforms have led to decentralisation for paying allowances and bonuses).

In addition, whereas PRP (which can be used for teams as well as individuals) is widely applied in the United Kingdom, where it is a delegated competence to all departments, in Ireland it is only used for top officials. In Finland, 10% of state sector personnel receive PRP.²⁰⁷ In addition, the amount of reward differs considerably amongst European countries. Finally, whereas most people believe that performance related pay is an Anglo-Saxon invention (and closely linked to the theories of New Public Management), the French “*fonction publique*” has been using this instrument successfully and for a long time (“*L’existence de bonus de rémunération dans la fonction publique française est ancienne. En moyenne pour la fonction publique de l’État les indemnités représentent 17 % de la masse salariale. Dans certains corps et emplois, elles peuvent dépasser 60 % du traitement de base*”).

The main purpose of integrating performance-oriented pay into HRM is to increase the individual performance of employees and to reward those who perform well. In most cases, PRP is allocated to individuals after the completion of annual appraisals and evaluation, which show whether someone has achieved or exceeded performance targets (mostly set by their superiors or by the organisation).

When evaluating the effectiveness of PRP, it is necessary to place it in the context of other performance management instruments. In general, performance-orientation of the workforce can be achieved by appropriate HRM concepts and tools.²⁰⁸

- improving communication;
- enhancing training systems and career development opportunities;
- reforming recruitment and selection procedures;
- introducing personnel and management leadership and development plans;
- offering training courses in negotiation, decision-making skills and leadership;
- defining the competences needed and putting the right people in the right jobs;

204 US Office of Personnel Management, Performance Related Pay, Washington D.C, April 2002, p. 4

205 US Office of Personnel Management, *op. cit.*, p.7

206 See for example Germany: Bundesministerium des Innern, *Leistungsbezogene Bezahlungsinstrumente beim Bund im Jahre 2002*, Statistik, Unit D II 1 - 221 425/2, Berlin, without year; Wenzel Matiaske, Doris Holtmann and Ingo Weller, *Leistungsvergütungssysteme in öffentlichen Verwaltungen*, in: Der Städtetag, No. 1/2005, p.27 -29; Yves Eymery, Rewarding civil service performance through team bonuses: findings, analysis and recommendations, in: IIAS, Vol. 70, 2004, pp. 157-168

207 According to discussions and notes taken in the HRM group of the Directors-General of Public Service

208 See also Christoph Reichard, Assessing performance-oriented HRM activities in selected OECD Countries, A Review of Ten Years of Modernisation: The HRM Perspective PUMA/HRM(2002) 9, 24 September 2002

- defining incentive systems which motivate performance;
- offering the right mix of stability and mobility of personnel;
- modernising and improving personnel appraisal systems;
- rewarding good performance with material and non-material rewards (including performance-related pay).

“Stimulating incentive systems plays a major role in motivating employees for performance. There is clear empirical evidence that public employees – at least in industrialised countries – want a pluralist incentive system (“cafeteria system”) which offers a broad choice of extrinsic and intrinsic incentives and rewards. Several civil service systems, however, are not aware of this requirement and are still predominantly based on material incentives”.²⁰⁹ According to a methodology put forward by Reichard, “it is useful to distinguish at first between two different purposes of incentives:

- motivation for joining the civil service, e.g. for young graduates;
- motivation for job performance (after recruitment).

Incentives are quite different in both cases. A positive image of government (or of a single unit), attractive job conditions and career perspectives, and competitive compensation will be stimulating incentives in the first case. Satisfying job contents, fair compensation, good working climate, etc. might be more stimulating in the second case. Life-long tenure, for example, may encourage an individual to opt for a job (particularly in the case of persons wishing to avoid risk), but it will definitely not be a performance-related incentive for an employee already possessing tenureship”.²¹⁰

Although most current and future EU Member States have implemented performance-related pay systems in recent years, comparative and empirical studies on successes and failures in implementing these reforms are still scarce.²¹¹ The main reason for introducing PRP cited in most cases is to enhance the motivation of employees and therefore to improve performance and efficiency. In addition, the reform of pay systems is followed by a strong tendency to decentralise the remuneration system to regional and local authorities, or to agencies and even to line management.

Performance-related pay is used to improve the motivation of those employees the organisation wishes to retain. However, it is not clear if this is the actual outcome, and PRP schemes may, in fact, be detrimental to the motivation of individuals if not handled very carefully. Another problem is that it is not yet clear whether rewards should follow, rather than precede, performance. This is in contrast to behaviourist theory, which maintains that rewards induce performance.²¹²

209 Reichard, *op. cit.*

210 Reichard, *op. cit.*

211 See to my knowledge the only ones so far: Sean Fitzpatrick, *Comparative Survey of the Systems of Productivity-linked Remuneration that are Employed in the Civil Services of the Member States of the European Union (Performance Related Pay)*, European Institute of Public Administration, Maastricht 2001. Bruno Dente, *European Best Practices in Performance Related Pay for Public service managers*, Study presented to the 41TH Meeting of the European Directors-General Responsible for Public Administration, Rome, 2nd – 3rd December 2003 OECD, *Performance-Related Pay Policies: Main Trends in OECD Member Countries*, Gov/HRM, Paris, 28 September, 2004

212 Sally Coleman Selden/Gene A. Brewer, *Work Motivation in the senior Executive service: testing the High Performance Cycle Theory*, in *Journal of Public Administration Research and Theory*, 2000, Vol 10, No 3, p. 545

The complexity surrounding reward management is just one of the difficulties faced by human resource management. The main argument put forward in favour of PRP is that it acts as a motivator by providing extrinsic rewards in the form of pay and intrinsic rewards through the recognition of effort and achievement. PRP is also seen as helping employees to identify closely with the goals of the organisation, leading to increased productivity, quality, flexibility and teamwork. In addition, PRP is seen as useful in the recruitment and retention of staff. Many researchers, however, have questioned whether PRP actually acts as a motivator, or, indeed, if money can motivate. “Most managers are aware of Herzberg's view that the job itself is the source of true motivation, not the pay or even the conditions of work” (Dwyer, 1994).²¹³ In addition, Herbert Simon (1961) emphasised that “material incentives – salaries, wages, or bonuses – are probably not the most important influences that induce an employee to give his active and enthusiastic support to an organisation”.²¹⁴ In Germany, Siedentopf (1978) raised similar concerns in the seventies²¹⁵ and Eymeri (2004) pointed to the need of focusing more on group bonuses instead of individual bonuses.²¹⁶

Fitzpatrick also raises the problem in his comparative study on remuneration systems in the public sector of the EU Member States²¹⁷ that major differences exist between the views of managers and employees on employee motivation. Managers thought money would top the list of possible incentives, while employees listed job satisfaction as the top motivator. Although sufficient evidence is still lacking, it seems that where motivation is concerned, satisfaction and dissatisfaction with management and career opportunities or a lack of such rank higher than pay and are particularly important factors for workers leaving an organisation and becoming demotivated.

The incentives created by different forms of pay and reward and their impact on performance can indeed be complex. As job security is considered by civil servants to be an important element of their reward package, Member States wishing to introduce new public-management style contractual arrangements (to reward performance) may have to offer a higher rate of basic pay to compensate for lost job security.²¹⁸ In reality, however, the funding crisis in the public sector has not increased pay, but has often led instead to lower salaries, as they were frozen due to financial constraints. In Germany (2003), for example, a number of federal states have slashed the Christmas bonuses for their civil servants.

Apart from fairness, other problems associated with PRP include a tendency towards a short-term focus on quantifiable goals, to the neglect of more long-term issues. Furthermore, organisation-related problems play a role. In the United Kingdom, for example, pay is a competence delegated to individual authorities. But what will happen if departments, agencies or units are merged and employees find themselves on different pay scales and different PRP arrangements? No solutions have yet been found for these difficult questions.

213 See Sean Fitzpatrick, *op. cit.*

214 Simon, Herbert et al., *Public Administration*, New York 1961, p.63

215 Heinrich Siedentopf (ed.), *Bewertungssysteme für den öffentlichen Dienst*, Nomos, Baden-Baden 1978

216 Yves Eymeri, *op. cit.*

217 Sean Fitzpatrick, *op. cit.*

218 See on all aspects, *op. cit.*

As regards measurement problems, a study by Demmke on performance management systems in international organisations and in Germany²¹⁹ reveals numerous problems in appraising employees' performance, including difficulties in measuring the work of public servants and subjectivity. Finally, the results of the study seem to suggest that PRP may work when:

- managers are sufficiently trained and have time to measure performance;
- both parties have an interest, are able to communicate with each other and are motivated to perform the appraisals;
- the task is a single task, clearly measurable and linked to a single individual;
- the task is very specific;
- output due to effort can be distinguished from that due to pure luck;
- performance can be attributed to one person or a single group;
- financial rewards are important for employees and sufficiently high;
- performance management systems are transparent and fair.

On the other hand, difficulties arise when:

- bonuses are too low;
- financial rewards are not seen as incentives by employees;
- people already earn enough;
- PRP is paid to a small number of employees and the remainder feel punished;
- the focus is on rewards for high performance and less attention is paid to poor performers;
- the position and task is such that performance cannot be measured and is qualitative;
- the incentive function might be lost when paid over a long period.

The above study by the Danish Ministry of Finance²²⁰ on motivation reveals a further paradox. While employees strongly welcome the introduction of individual rewards and the introduction of PRP, once it is implemented, frustration and a feeling of being treated unfairly results. It is therefore clear that communication and agreement on objectives and standards of performance are central to the success of the scheme.

In our study, the **Irish** reply mentions other difficulties. *“The introduction of high, performance-related pay bonuses could have a mostly negative effect where it is perceived that the scheme is not being operated in an equitable manner, and could also lead to reduced co-operation among colleagues. (...) The impact of the merit award scheme has not been measured; however merit award schemes of this nature are essentially based on past performance and do not necessarily influence future performance.(...) The complex nature of many civil service activities do not readily lend themselves to a single measure, such as the private sector ‘profitability’ measure.*

219 Christoph Demmke in Cooperation with the German Federal Ministry of the Interior, Personal appraisal systems in International Organisations as a criterion for the Involvement of Germans in International Organisations, Maastricht (unpublished) 2003

220 Danish Ministry of Finance, *op. cit.*

However, despite all existing reservations and reasons to be cautious with PRP, most Member States in our study are convinced that, when handling and managing performance related pay correctly and in a professional manner, it may enhance individual performance and play an important motivational role. Or as the **Polish** report found, despite many obstacles “the current trend of introducing performance-related pay or more generally, flexible, motivating elements connected with performance seems to be the right direction and development in this area has more advantages than disadvantages”.

<p>The individualisation of pay and the introduction of high, performance-related pay bonuses have mostly negative effects: employees feel that they are being treated incorrectly or unfairly because of problems in measuring performance, there is less loyalty on the part of employees and less motivation to work among those who do not receive a bonus.</p>	<p>The individualisation of pay and the introduction of high, performance-related pay bonuses have mostly negative effects: employees feeling that they are being treated incorrectly or unfairly because of problems in measuring performance, less loyalty on the part of employees and less motivation to work among those who do not receive a bonus.</p>
<p>Agree:</p> <ul style="list-style-type: none"> • Malta; • Latvia (mostly); • Italy (at least partly); • Luxembourg; • Ireland (if not operated in an equitable manner). 	<p>Disagree:</p> <ul style="list-style-type: none"> • Denmark; • Sweden; • Slovakia; • France; • Lithuania; • Slovenia; • Estonia; • Greece; • Hungary; • Poland (generally); • Spain; • Portugal; • Czech Republic; • (Bulgaria).

* Some Member States, e.g. United Kingdom, Cyprus, Belgium, Germany and Sweden, commented that the success or failure when implementing performance-related pay depends on many factors. The most important precondition is that PRP has to be managed in a professional way. Otherwise, it may easily fail.

The **Swedish** answer to our study provided a somewhat mixed response. On the one hand, it was agreed that high performance-related bonuses may create negative effects. Therefore very few Swedish agencies use bonus programmes and high bonuses are practically non-existent. However, the Swedish reply disagreed with the above mentioned statement that the individualisation of pay creates mostly negative effects. The individualisation of pay in Sweden has made the recruitment of younger skilled staff possible without major increases in the overall pay level. The process of discussing pay and evaluation of results has created positive effects such as increased focus on carrying out the core business of the service.

However, the focus on PRP as motivator raises the question about the effectiveness of pay as a main motivator in the public service. “As a general rule, the incentives that organisations provide are likely to be most effective if they are contingent on the motives of the individual members”.²²¹ (...). Performance-related pay may be more effective if there are fewer differences between public and private employees, as the theory of motivation through pay runs counter to the development and advancement of a theory of public service motivation”.²²²

As a result of the above, performance measurement systems must provide for better immaterial incentives, e.g. career development, training, promotion, holidays, than in the past. Until now, there has been too much focus on material incentives (or material punitive instruments). Consequently, it remains to be seen whether the focus on performance-related pay will enhance motivation and job satisfaction.

221 James E Perry./Wise, L.R., The Motivational Bases of Public Service, in: Public Administration Review, 1990, May/June, *op. cit.*, p. 371

222 Perry/Wise, *op. cit.*, p. 372

7. Work Satisfaction

7.1. Differences exist, but they are not significant

Today, the public's perception of work in the public sector is that working procedures in public organisations are more formalised, employees have less job autonomy in decision-making and pay is often no higher than in comparable positions in the private sector. Consequently, many expect civil servants to be less satisfied than their colleagues in the private sector. However, in reality, "...public-sector respondents actually report somewhat higher levels of general work satisfaction than do private-sector respondents. "On questions about general work satisfaction such as, 'Do you like your job?' public-sector respondents have consistently shown higher levels of satisfaction, levels comparable to private-sector respondents".²²³

These high levels of expressed job satisfaction are a common feature of employment research and are not altogether unsurprising. Firstly, one would expect that those who are relatively dissatisfied with their job will seek to change it (within the constraints of available job opportunities), while those who are satisfied will remain longer in that job. Secondly, there may be some response bias, as admitting to tolerating high dissatisfaction levels may appear irrational or humiliating. At the same time, almost all answers to our survey report that pay is not necessarily lower in the public service, especially for lower-level categories of staff. In addition, job autonomy increases the higher the individual qualification and the higher the individual position. Job security also has a positive relationship with job satisfaction (which is consistent with the arguments that those who are more satisfied are more likely to stay in the job and perhaps those who cannot move adjust their expectations). Finally, according to the European Foundation for the Improvement of Living and Working Conditions, a comparison between eighteen sectors reveals that the public sector has quite favourable working conditions.²²⁴

However, there are also reasons to be concerned. A survey on career development (in the sense of development opportunities in the field of promotion, demonstrating skills, training, gaining experience, study leave, working on interesting projects, performing acting in higher positions, secondments, etc. undertaken in the Irish civil service in 1999²²⁵) showed that lack of career development is still a central factor influencing resignations from the civil service. In particular, the survey discovered that the top six employment-related issues for civil servants were:

- earnings and career progression;
- task responsibility;
- reward and recognition;
- job security;
- progressive work arrangements; and

²²³ Bozeman/Rainey, Comparing, *op. cit.*, p. 459

²²⁴ European Foundation for the Improvement of Living and Working Conditions, Sectoral profiles of working conditions, Dublin 2003.

²²⁵ Joanna O'Riordan and Peter C. Humphreys, Career Progression in the Irish Civil Service, CPMR Discussion Paper 20, Dublin 2002, http://www.ipa.ie/research_detail.asp?pubid=526

- training/development.

The authors of the study concluded that there is an increasing gap between individuals' aspirations and what the civil service is perceived as delivering".²²⁶ Another interesting finding of this research was that in Ireland, for instance,

- barriers to promotion;
- limited opportunities for development and advancement; and
- the mundane nature of some work;

are cited as reasons why young ambitious civil servants are unlikely to remain in the civil service.

A study by Wright and Davis about Work Satisfaction in the Public Sector in America (2003)²²⁷ came to the conclusion that job satisfaction can in most cases be explained by factors other than monetary rewards. Public service employees are motivated by a range of factors, including opportunities for skill development and indications of organisational attention to their long-term careers. On the other hand, the degree of routine in an employee's job has a direct, adverse effect on employee job satisfaction. The more routine the tasks and responsibilities, the more they approach their jobs with negative feelings and ennui. However, the importance of job satisfaction itself may require more attention in the future. Many scholars continue to believe that "a basic and strong correlation exists between job satisfaction and job productivity" (...), that a happy employee is a productive employee. Unfortunately, this relationship is not as simple as one might expect. In fact, considerable empirical evidence fails to support an assertion of a strong, direct relationship between job satisfaction and productivity".²²⁸ Although at first glance this may seem counterintuitive, it is possible that employees can be satisfied with a job that pays well but requires them to do very little (...). This, however, does not mean that job satisfaction is completely unrelated to productivity.

More recent research suggests that performance may influence satisfaction rather than satisfaction influencing performance. Similarly, employees are more satisfied when they perform well. This adds credence to the findings of this study, particularly the importance of a professional human resource management policy. Alternatively, job satisfaction may also have an important indirect influence on organisational productivity by reducing costs associated with employee absenteeism and turnover. Such costs may often be hard to quantify but are, nonetheless, real. In our study, the United Kingdom mentioned their efforts to reduce employee absenteeism. Consequently, future research should try to clarify the importance of job satisfaction and job performance in terms of performance within an organisation and the physical or psychological well-being of its members.

226 Goldsmith Fitzgerald, "Staff Retention Survey", on behalf of the Office of the Civil Service and Local Appointments Commission, in Joanna O'Riordan, Peter C. Humphreys, *Career Progression in the Irish Civil Service*, *op. cit.*, p. 11.

227 Bradley E. Wright, Brian S. Davis, *Work Satisfaction in the Public Sector*, in: *American review of Public Administration*, Vol. 33 No. 1, March 2003 70-90

228 Bradley E. Wright, Brian S. Davis, *Work Satisfaction in the Public Sector*, *op. cit.*, p. 85

In The Netherlands, Steijns²²⁹ published a more careful analysis of the term “work satisfaction” in 2003. He came to the conclusion that employees’ work satisfaction differs according to the employer. In the Netherlands, for example, satisfaction is highest in judicial bodies and lowest in the defence sector. All in all, satisfaction in the public sector in the Netherlands is neither low nor very high.

In his study, Steijns further differentiates between the influence on satisfaction of:

- individual characteristics (such as gender, age and education);
- job elements (such as management positions, salaries, satisfaction with working conditions, satisfaction with the work, job autonomy and job responsibility, career development opportunities, etc.); and
- organisation-related structures and elements (such as satisfaction with the management and the working atmosphere).

Steijns concludes that individual characteristics matter little as regards the degree of satisfaction. Much more relevant are job and organisation-related elements, such as work content (including the degree of responsibility and autonomy) followed by working atmosphere and career development opportunities. As a result of these findings, Steijns concludes that investments in HRM policies and in career development also lead to greater satisfaction with the management. This final point seems particularly relevant as a considerable number of public employees are not satisfied with management. What’s more, dissatisfaction with management is one of the most important reasons for leaving a job. Elements such as pay and general working conditions also have an important – though lesser – effect on the degree of satisfaction. Steijns also concludes that HRM in general has an impact on work satisfaction. However, other factors such as social dialogue (employer participation and communication) could also play an important role. Interestingly, Steijns’ conclusions are broadly in line with the findings of Herzberg in “Work and the nature of man” (1966).

An Irish study by O’Connell, Russell, Williamsen and Blackwell on “The Changing Workplace: A Survey of Employees’ Views and Experiences” (2003) in the public and private sector shows that public employees experience:

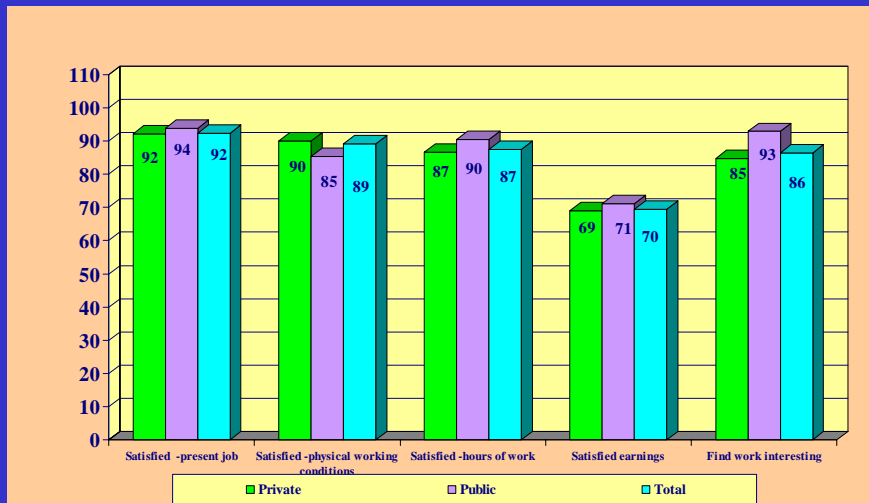
- higher job satisfaction than in the private sector;
- high work pressure;
- high commitment to the organisation;
- better – though not optimal – flow of information within the organisation; and
- high budget constraints as major barriers to change.²³⁰

229 Bram Steijns, HRM, Arbeidsatisfactie en de publieke sector, in: Bestuurswetenschappen, No 4 2003.

230 Philip J. O’Connell, Helen Russell, James Williams and Sylvia Blackwell, the Changing Workplace: A Survey of Employees’ Views and Experiences, study requested by the Irish Government to the National Centre for Partnership and Performance, 2003.



Satisfaction with Current Job - Public vs Private Sector



Source: <http://www.nccp.ie>, James Williamsen, PowerPoint presentation, Conference proceedings from 28 June 2004. Workplace of the Future.

However, public sector employees express lower work satisfaction “that refer to specific facets of work, such as promotion prospects, autonomy in the job, pay levels (...) These somewhat lower ratings of satisfaction by public-sector respondents, particularly managers, tend to be concentrated on facets of their work that appear to present particular frustrations in the public sector, such as lack of autonomy in some work settings due to rules and political interventions and frustration with promotion policies ... This suggests that the consistent findings of lower satisfaction in the public sector are more indicative of particular frustrations than of a general crisis in work satisfaction..”²³¹ On the other hand, public sector employees place higher value than do their private sector counterparts “on work that is beneficial to others and to society; on involvement with important public policies; and on self-sacrifice, responsibility, and integrity...” and they “...place lower value on money and high income as ultimate ends in work and life”.²³²

National studies mostly reveal high levels of employee satisfaction. A **Dutch** survey concludes that 70% of public employees are satisfied or very satisfied with the content of their work.²³³ A survey in **Austria**²³⁴ concerning the attitude of Austrian officials in the federal public sector towards their work, workplace and work in the public sector (in general) found that 76% of public sector employees are satisfied or very satisfied with their jobs. The **Swedish** report noted that government workers tend

231 Bozeman/Rainey, Comparing, *op. cit.*, p. 459

232 Bozeman/Rainey, Comparing, *op. cit.*, p. 460

233 Ministry of the Interior and Kingdom Relations, De Arbeidsmarkt in de collectieve sector: verleden, heden en toekomst, 22 May 2002, p. 14.

234 Federal Ministry of the Public Service and Sports, Results of the 1999 employee survey, *op. cit.*

to feel more happy with the work content compared to the private sector and in contrast to workers in the private sector, they believe that the work is meaningful.

1. In **Belgium**, in 2003, 17,048 federal employees were asked to give their opinion by means of a questionnaire (30.4% replied) to ascertain their attitude towards the image of the civil service (and also to the impact of the Copernicus reform).²³⁵ The study²³⁶ showed that:
 - a. 37% of respondents expected important changes that will impact the motivation of personnel;
 - b. 72% of respondents indicated that they were generally satisfied with their work; 13% being relatively dissatisfied and 14% neither satisfied or unsatisfied;
 - c. 51% were satisfied with their employer (the federal public service), 21% were more or less dissatisfied and 28% were neither satisfied nor dissatisfied;
 - d. the percentage of civil servants who were generally satisfied with the federal administration increases as the rank of the civil servant decreases (from 47% at level A to 58 % at level D);
 - e. 58% are proud of being employee of the administration;
 - f. 63% would recommend employment in the administration to their friends.

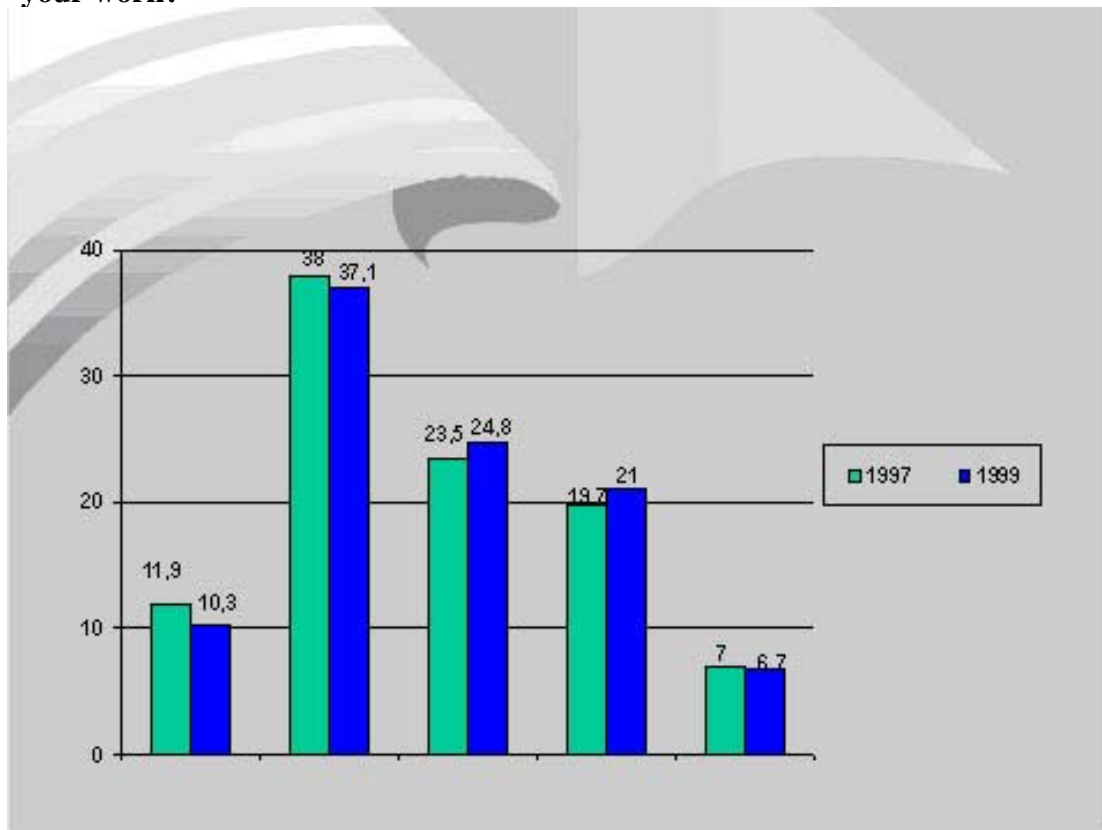
The above Austrian study²³⁷ revealed some interesting features which go some way to confirming the other surveys, but also raise some intriguing questions. The study supports other studies as regards the question of whether civil servants are satisfied with their job. In Austria, a considerable number (74.8%) of employees interviewed replied that they were satisfied or very satisfied with their job.

235 European Centre for Work and Society, Brussels/Maastricht, Artemis, Enquête Générique 2003

236 See under <http://www.copernic-us.be>

237 Federal Ministry of the Public Service and Sports, Results of the 1999 employee survey, *op. cit.*

Question: How satisfied are you with your involvement in decisions as regards your work?



very satisfied satisfied neither/nor dissatisfied very dissatisfied

Source: Vergleich der MitarbeiterInnenbefragung 1999, Vergleich der Ergebnisse des gesamten Bundesdienstes 1997 und 1999, *op. cit.*

Interestingly, more than 47% are very satisfied or satisfied with their involvement in internal decision-making procedures (27.7% are dissatisfied or very dissatisfied). These figures contradict the traditional perception that public organisations are very hierarchical structures and communication suffers as a result.

7.2. Conclusions

Are reforms enhancing job satisfaction?

In general, public servants are satisfied with their jobs. However, public servants in many countries are dissatisfied with too many rules and slow decision-making procedures, the lack of personnel resources and the time pressure, restricted career opportunities, slow advancement in the hierarchies, with seniority rather than merit occasionally being taken into account, low pay, limited possibilities for independent decision-making and the perception of working in a large, non-transparent hierarchical organisation. Nevertheless, these problems only have a limited impact on the degree of happiness. In this respect, problems such as working relationships with colleagues, duplication of work, too much bureaucracy, no guidance and – if relevant – bullying in the workplace, and bad leadership also rank very high.

Finally, the soft factors (such as the opportunity to develop one's own initiatives and ideas) have a greater motivational effect than the hard factors (such as pay and career development). As a result and in order to increase the motivation of staff, more should be done in the field of soft factors. All the studies mentioned reveal an interesting paradox: civil servants are generally very satisfied with their work, but often suffer from a negative image of employment in the public sector. Although they are satisfied, civil servants are unhappy with career development policies, lack of recognition, lack of responsibility and – to a lesser extent - their superiors. The question therefore arises as to whether the reform of working conditions will continue to support the positive aspects of work in order to maintain the high degree of satisfaction, and improve those aspects which create dissatisfaction. In reality, however, the position appears to be very uncertain.

8. Concerning rigidity and rules

8.1. Civil Servants – are they bound by too many rules?

One important difference between public and private organisations is the emphasis on rules on regulations. European-wide discussions on de-regulation, re-regulation, codification and simplification began in the 1980s and have continued ever since. One of the most common complaints by businesses, citizens and civil servants is the amount of rules, paperwork, formalism and reporting requirements. The private sector, in particular, complains that these administrative burdens are costly. This red tape could even threaten the rule of law. In response to these complains (and also within the context of the Lisbon process), the national public services have started to review, to simplify, codify and to deregulate red tape.

Almost all existing surveys and studies confirm that public organisations place more emphasis on rules and regulations. As Hugh Heclo wrote more than 20 years ago, the term “civil service” has come to mean cumbersome personnel rules rather than civic institutions. An abundance of research has shown that public organisations seem to have more formal, written rules for employment, which reflects the stronger tendencies for such provisions in public service systems.²³⁸

To most people, rules and red tape have entirely negative meanings (the term red tape derives from the nineteenth century British government practice of binding official documents in red tape). In addition, bureaucratic rules and procedures are often criticised because they imply the image of a slow-moving bureaucracy, control and standardisation (although in many respects the expectation of standard treatment should be also considered as a great advantage and strength). All of these aspects are unsatisfying to individuals because “People are unique. Routine or disinterested treatment is not generally what we wish. If we have to stand in line for thirty minutes to obtain an automobile registration we find little consolation in the fact that others must stand in line for the same period”.²³⁹

Yet, one can distinguish between red tape, rules and formalisation of procedures. In fact, many rules and procedures are necessary and provide benefits in terms of control, accountability, equality, public safety, security and non-discrimination. Similarly, one can distinguish between rules and procedures which are necessary and beneficial and unnecessary red tape. Furthermore, experts make a distinction between red tape (excessive and unduly expensive rules) and formalisation (important and necessary rules and procedures). Or as Bozeman does, one can make a distinction between red tape and red tape as a pathology. The OECD, too, makes a distinction between red tape and smart tape.²⁴⁰

238 Robert Maranto, A Brief Against Tenure in the U.S. Civil Service, Praising Civil Service but not Bureaucracy, *Review of Public Personnel Administration*, Vol. 22, No. 3 Fall 2002 175-192, 2002 Sage Publications

239 Bozeman, *Bureaucracy, op. cit.*, p. 1

240 OECD Observer, Policy Brief, from Red Tape to Smart Tape: Administrative Simplification in OECD Countries, June 2003

According to Bozeman “Much of the pathologies of bureaucracy are of the “too much of a good thing” sort (...). Control is useful for coordination, but overcontrol is pathological; standardisation can be highly destructive; rules, regulations, and procedures are part and parcel of every bureaucracy, but dysfunctional ones waste considerable energy to no one’s benefits. But how is one to determine differences among control and overcontrol, standardisation and rigidity, necessary and useful rules...?.What is normal?”.²⁴¹

It is also well known that many managers complain about the adverse effects of the complex web of controls, procedures and regulations in the field of recruitment, promotion and the determination of pay. In addition, research on red tape supports the view that public organisations are more strongly regulated than private organisations.

A study by the Brooking Institutions (2000) explains different performance levels in public organisations. The organisation is the problem and not the people. “Government is filled with good people trapped in bad systems: budget systems, personnel systems, financial management, information systems. People are not the problem²⁴² (...). “Bad systems may discourage the full use of the considerable talents that may be available. Or inadequate resources and outside pressures may keep quality administrators from delivering the kinds of services they and the citizenry would like”.²⁴³

Why are civil servants behaving differently in public organisations? Popular explanations?

1. Too many rules.
2. Too much centralisation.
3. Too much job protection and too little performance incentives.
4. Slow decision-making procedures.
5. Bad leadership.
6. Processes and structures influence personality.
7. Bad systems discourage innovation.
8. Inadequate resources.
9. Negative effects of downsizing.
10. Personnel management differs.

Many studies have indeed shown that not individuals but excessive red tape and a too high degree of formalisation may lead to reduced workplace autonomy, the feeling of powerlessness and the reduction of work’s inherent meaningfulness. “Red tape (...) may inhibit self-expression and the ability to positively effect clientele (...) and suppress natural desires for self-expression, responsibility, growth, and achievement”.²⁴⁴ In addition, “centralised decision-making mechanisms, in and of

241 Bozeman, *Bureaucracy, op. cit.*, p. 35.

242 Aberbach, *op. cit.*, p.58

243 Aberbach, *op. cit.*, p.86

244 Leisha DeHart-Davis and Sanjay K. Pandey, Red Tape and Public Employees: Does Perceived Rule Dysfunction Alienate Managers, in: *Journal of Public Administration Research and Theory*, Vol. 15, 2005, p. 136

themselves, reduce organisational commitment and job satisfaction”²⁴⁵ and may lower morale of public managers.

“Most important, when surveys have asked government and business managers about the extent of red tape in their organisations, the public managers have consistently reported higher levels than the business managers”²⁴⁶.

More concretely, higher rules in public organisations tend to concentrate on the area of personnel management. Bozeman and Rainey (1998)²⁴⁷ report that managers in government, compared to business managers, would prefer their organisations to have fewer rules. This contradicts the view that managers in government generate excessive rules.²⁴⁸ Rainey (2003)²⁴⁹ concludes that public organisations generally tend toward higher levels of internal complexity, centralisation, and formalisation – particularly in areas such as personnel and purchasing – than private organisations.²⁵⁰ “Government organisations may not have more formalised and elaborate rules than private organisations of similar size, but they often have more centralised, formalised rules for functions such as personnel and procurement”.²⁵¹

This topic is subject to considerable discussion. All the same, discussions on rules consist too often of simple “denunciations of what are regarded as the inefficient and malevolent workings of government”. It is time to take the topic to a more serious level of analysis. One should not forget that one person’s red tape is another’s due process.²⁵²

However, this study also confirms that civil servants suffer from too many rules, and a lack of recognition, information and responsibility. In **Austria**, for example, more than 40% of respondents say they feel disturbed in their work by the considerable number of rules, regulations and formal procedures which they have to respect (see table)²⁵³. In addition, only 37% feel that their work is recognised by others, and 36.5% say that their good work is not recognised.

245 De Hart Davis/Pandey, *op. cit.*, p. 144

246 Rainey, *Understanding and Managing*, *op. cit.*, p. 206 and p. 207

247 Barry Bozeman and Hal Rainey, *Organizational Rules and the “Bureaucratic Personality”*, in: *American Journal of Political Science*, Vol. 42, No 1., January 1998.

248 Rainey, *Understanding and Managing*, *op. cit.*, p. 208

249 Rainey, *Understanding and Managing*, *op. cit.*, p. 210

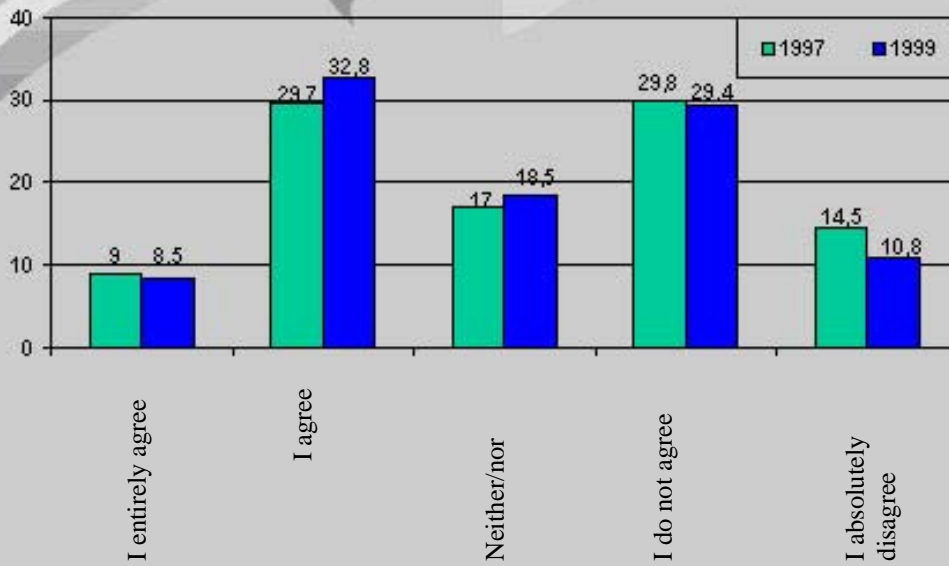
250 *Ibid.*

251 Rainey, p. 210

252 Charles T. Goodsell, *Red Tape and a Theory of Bureaucratic Rules (Review of the Book by Bozeman)*, in: *Public Administration Review*, July/August 2000, Vol. 560, No. 4, p. 373

253 Austria study, *op. cit.*

I can do my work without being disturbed by unnecessary rules and procedures. Source: Vergleich der MitarbeiterInnenbefragung 1999, Vergleich der Ergebnisse des gesamten Bundesdienstes 1997 und 1999



Also the report from **Estonia** confirmed “*that the degree of bureaucratisation, the often slow pace of decisions being made in the public sector organisations have a bigger impact on individual performance of employees in the public sector than in the private*”.

9. The performance of civil servants – better or worse than other employees?

9.1. Changing emphasis: the link between performance, quality, competitiveness and politics

For a considerable time at least, public authorities were never questioned as to whether and how they reached (or failed to reach) their objectives and whether they were performing well. Instead they were more concerned with the implementation of programmes and the application of rules until – in the late 1970s – personnel costs were rising drastically in many countries and efficiency issues became more important. This was a strange development because the instrument of public sector measurement originated as early as the late 1800s. In the United States, Woodrow Wilson (1887) proposed a new business-like approach to government which was later elaborated by scientific management theories in the early 20th century.

The question of whether civil services are performing well or otherwise is also related to our understanding of the quality of services, efficiency and politics. Today, the Lisbon process, in particular, has turned attention to the role of the public services in the context of the competitive situation of Europe (with respect to the United States). According to a report of the British Chartered Institute of Personal and Development, “the performance challenge is likely to be particularly marked in the public sector. Managers will be caught between the Treasury’s objective of improving public sector productivity and keeping the public pay bill in check in order to contain public borrowing and trade union pressure to improve the pay of their members”.²⁵⁴

In particular, the “understanding of what constitutes ‘quality’ has greatly changed in the course of time, both in the private and public sector”. Whereas in the 1980s and 1990s, the term quality was very much connected with the term efficiency, today it is also more and more linked to the “ability of public institutions to contribute to the quality of life of citizens” and to the competitive situation of the European economies.²⁵⁵

Quality and performance considerations also have a distinct meaning within many of the former and new Member States of the EU. Tiina Randma-Liiv reported on these differences during the 3 QC-conference in Rotterdam in November 2004.²⁵⁶

“The political-administrative apparatus of the Communist countries was characterised by an autocratic management style, inadequate concern for efficiency, partisanship and partiality, corruption and secrecy. But first of all, the Communist administrative systems were over-politicised: political loyalty had high priority and strict ideological control was exercised over personnel and decisions. Strategic decision-making often took place in Moscow which laid the foundation for an extremely centralised public administration. The Communist civil service offered a clear example of a patronage

²⁵⁴ <http://www.cipd.co.uk> see under information sources and surveys

²⁵⁵ Christian Engel, *Quality Management Tools in CEE Candidate Countries*, EIPA, Maastricht, 2003, p. 75

²⁵⁶ Tiina Randma-Liiv, *Challenges for the new EU Member States*, 3rd Quality Conference, Rotterdam, 15-17 September 2004

system with no regard for merit principles. The civil service was not “professional” in that it did not value specialised training and competence, and professional qualifications did not usually matter in promotion and salary allocations. What about quality and performance? The services offered were centralised and standardised to a high degree. The term “quality” concerned goods and products only, while the quality of public services remained an unknown concept. Employees of state institutions were not supposed to serve the country’s citizens but to carry out instructions from the Communist Party. No incentives were created to make public offices more efficient or to involve citizens or civil servants in discussions on the improvement of services.

Patronage and the primacy of ideological principles were the main reasons for the civil service’s inefficiency and public disrepute. Indeed, everything associated with the state had a bad reputation during the Communist time. The administrative culture, the ethics of bureaucrats as well as attitudes formed under Soviet rule have been very difficult to change. Some paradigms and stereotypes of this period still survive. It has been claimed that in CEE, there is no prevailing state identification on the part of the citizens, not even a positive concept of the state. While this might actually sound attractive to the opponents of ‘state’, it leads to serious problems that new democracies cannot afford. Consequently, one of the main outcomes of Communist traditions and practices was the alienation of officials from citizens and of citizens from the state. The role of the citizen was to passively sit and wait for the public services to come around”.

9.2. The complexities of performance management in public service

Despite the different concepts and interpretations of quality and performance in the public sector, performance management and measurement fulfils a number of important common criteria in all Member States such as:

- transparency in measuring and evaluating outputs;
- learning through experiencing what went well and what went wrong;
- judgement concerning the efficiency and effectiveness of an authority or an individual;
- rewarding or punishing those who perform well or do not perform well.

Performance measurement depends very much on the type of performance indicators and the way performance is measured and managed. Normally, performance indicators may be oriented towards outcomes, outputs or inputs (investments), “each of it requiring a different approach in controlling and reporting.”²⁵⁷

The focus on performance management as such is a positive development although experiences show that the introduction of performance measurement can also “lead to a costly investment in more bureaucracy, rather than do what it is intended to do: save money. Defining targets, setting targets, measuring targets and reporting on targets

257 Nico. P. Mol and Johan A.M. de Kruijf, Performance Management in Dutch Central government, in: International Review of Administrative Sciences, Vol. 70, 2004, p. 34.

cost time and money, and the more targets there are, the more they have to be adjusted again and the more resources go to performance measurement.²⁵⁸

In this study, we are mostly concerned with the individual performance of public employees in relation to private employees. In this area, clichés, perceptions and images are abundant and performance indicators highly disputed and varied from organisation to organisation. Unfortunately, serious comparative studies on performance measurement are almost non-existent. One reason for this is the lack of clear definitions to compare. What does “performance” mean? More efficiency? More output? Better quality? Working faster and/or longer? Better services for the citizens? More fairness? Less corruption? More effectiveness?

In theory, HRM policies can improve performance by a) increasing employee skills and abilities, b) promoting positive attitudes and increasing motivation and c) providing employees with more responsibilities so that they can make full use of their abilities. As a result of these promising features with regard to greater efficiency, improved performance, greater quality and greater customer satisfaction, performance management has become a dominant theme in the past few years characterising the reform of the public sector.²⁵⁹ What seems to be important, though, is to clarify the nature of public service performance, and the question of what creates performance or poor performance. The question of what type of motives enhance performance is related to the way incentive systems are structured. “As a general rule, the incentives that organisations provide are likely to be most effective if they are contingent on the motives of the individual members”.²⁶⁰ As a result, performance measurement systems must also provide for better immaterial incentives, e.g. career development, training, promotion, holidays, than in the past. Until now, there has been too much emphasis on material incentives (or material punitive instruments).

Because of the many methodological problems in defining managing and measuring performance, our knowledge of public employee’s performance with respect to private employees performance is surprisingly limited, although the Member States have invested considerable resources in reforming their performance measurement schemes. One reason for this may be found in the distinct tasks of public sector organisations. Public organisations are often characterised by vague and unmeasurable goals such as “promoting the public interest”, “providing for the common defence”, or “educating the children”(…). Such goals make it difficult for public organisations to develop performance standards to serve as a basis for effective incentive systems”.²⁶¹ Other problems in measuring the impact of HRM reforms on performance are to be found in the delegation and decentralisation of HRM responsibilities. In the **United Kingdom**, “*HR Management is primarily devolved to Government Departments, who operate within guidelines provided by the Cabinet Office. There have been no cross-government studies of the effects of most of these initiatives*”.

258 Jaap A. Hoogenboezem, Local government performance indicators in Europe: an exploration, in: *International Review of Administrative Sciences*, Vol. 70, 2004, p. 62, United Kingdom, House of Commons, Public Administration Select Committee, *On Target? Government by Measurement*, Fifth Report, 2002-2003, Vol. 1.

259 Carolyn J. Heinrich, *Measuring Public Sector Performance and Effectiveness*, in: Peters/Pierre, op. cit., p. 25

260 James E Perry, Wise, L.R., *The Motivational Bases of Public Service*, in: *Public Administration Review*, 1990, May/June, op. cit., p. 371

261 Baldwin, *Are we really lazy?*, op. cit., p. 82

The fact that little is known about performance provides ample scope for speculation and perception. In keeping with satisfaction and motivation, discussions about performance are therefore dominated by perceptions rather than knowledge and facts. In the public perception, the prevailing public image is that public employees are not performing as well as private sector employees. This is in contrast to the opinion of the Member States who replied to this study. With respect to our question on the impact of HRM reforms on performance, work satisfaction and the development of skills (see below), many Member States replied that the effects were positive. Other countries, e.g. **Belgium, the Netherlands, Portugal** and the **European Commission** replied that new reforms still need to be evaluated as to their effect. Again, some countries did not have evidence with respect to the impact of HRM reforms, e.g. **Germany, Luxembourg** and **Italy**. Finally, **Spain** reported that a general review of the impact of HRM reforms was under way. Only one Member State (**Ireland**) presented concrete and positive measures as a result of new reforms in the area of HRM. According to Ireland these are *“increased merit based promotion, greater movement of staff between Ministries (currently 40% of promotions rising to 50% in 2007), and limited open recruitment to middle management and specialist functions to address identified skill shortages”*.

Other Member States are very optimistic as to the effects of the introduction of new individual or development plans (**the Netherlands**), *Cercles de Developpement* (**Belgium**), new goal setting systems (law 3230/2004 in **Greece**) or *Performance Management and Development System – PMDS* (**Ireland**). For example, a *“new human resource management tool in the Dutch civil service is the IWDP (Individual Work Developing Plan). This plan is to encourage the management of competences. In this concept each employee discusses with his manager his performance of the previous period, his growth possibilities, his personal ideas etc. Following this plan the government provides the employee with extra training if needed. The manager tries to match the competences of the employee with the competences needed for a job. At this moment, it is too early to speak of the results of the introduction of this tool; however it is assumed that IWDP has a beneficial impact on all the above mentioned indicators and reduced arbitrariness in individual performance appraisal”*.

The **Swedish** answer stated that *“A general conclusion is that the reforms of implementing individual pay, the introduction of “development talks” and other measures of the kind has created an increased awareness of and focus on goals and on the individual, departmental and collective responsibility to reach the goals”*. In **Ireland**, the new Performance Management and Development System (PMDS) is expected to make it possible to increase work satisfaction and to *“identify poor performance at an earlier stage so that remedial measures can be taken”*.

Question: Have there been recent human resource management reforms and if so, what has been their impact on the work (performance) and attitudes of civil servants?*

Reforms and their impact on....	Positive impact	Negative or no impact in countries
Organisational performance	Belgium**, Netherlands**, Slovakia, Portugal** (Bulgaria)	Cyprus (no)
Individual performance	Netherlands, Cyprus, Slovakia, Lithuania, Portugal** (Bulgaria)	Cyprus (no)
Number of poor performers	Hungary, Belgium**, Netherlands**, Slovakia, Portugal**, Ireland	
Work satisfaction	Belgium**, Netherlands**, Cyprus (partly), Czech Republic, Ireland	
Impact on knowledge, skills and educational profiles	Belgium**, Netherlands**, Lithuania, Austria (some indicators are positive), Czech Republic	

** Recent reforms still need to be evaluated as to their effects on performance

When observing the choice of instruments, it is interesting to note that many Member States have opted for similar instruments: new performance-related pay systems, performance management systems, new personnel appraisal systems, competency profiles and individual development plans.

However, despite the widespread introduction of performance management systems and the optimism which is accompanying the introduction of these instruments, too little evidence so far exists in most Member States as to whether performance management techniques have really increased the performance of employees or otherwise.

There are a number of explanations for this. The most important reason is that the link between public service and HRM reform and performance is difficult to define. What is the impact of the most important HRM reforms on individual performance? Unfortunately, our knowledge is scarce. According to the **Swedish** answer to this survey, it is “*hard to isolate and analyse the direct impact of the HRM reforms*”

In addition, in public service, in particular, it is clear that politics features strongly, e.g. plans to reduce the number of public employees, and must be taken into consideration when measuring performance.

Another important problem for the introduction of performance management systems is that it is very difficult to compare the performance of public employees with that of those in the private sector. Are tasks and responsibilities comparable? Are overwork, efficient time management, quality in reaching objectives and the number of poor performers useful indicators for measuring and comparing performance between the two sectors? If this were the case, it would be very difficult to prove that people in the public service perform less well than those working in the private sector. In addition, one should also ask why poor performance occurs. Because people are placed in the wrong jobs, are badly trained or receive too little recognition? Or simply because they are lazy?

Finally, instead of concentrating too much on poor performance, it would be better to take into account the development of working conditions in some areas. For example, does poor performance take account of managers suffering from overwork and stress-related problems?

9.3. What do we know about performance?

As a result of all these problems in determining and measuring performance, nobody can say for sure whether or not public employees perform differently to private sector employees. According to a study in the United States by Franck/Lewis, “Polls show that the public believes government employees ‘work less hard’ and are less productive ...than their private counterparts”.²⁶² “The image of the federal service is that its members are lazy, unambitious, and less than competent”²⁶³ .

In the past few years, more and more public administrations have carried out systematic surveys about the attitudes of employees. However, systematic empirical evidence about the relationship between public employment, public service reform and performance is non-existent.²⁶⁴ This is all the more surprising as “public sector performance” is on the top of the political agenda and also considered to be a very important issue by the Directors-General of public services. In the field of HRM, too, many reforms aim at improving the performance of public employees by introducing many new performance management systems. An easy explanation for this may be that public employees do not perform as they should and therefore additional instruments need to be introduced in order to enhance the performance of organisations and individuals.

From a theoretical point of view, it can be expected that individuals “will be motivated to perform well when they find their work meaningful and believe that they have responsibility for the outcomes of their assigned task. Among the job characteristics that contribute to performance orientation are autonomy, task identity, and perceived task significance. ...(...) Individuals who are highly committed are

262 Sue A. Frank and Gregory B. Lewis, Government Employees. Working Hard or Hardly working?, in: American Review of Public Administration, Vol. 34 No. 1, March 2004, p. 36

263 *Ibid.*

264 Perry, James E./Wise, L.R., The Motivational Bases of Public Service, in: Public Administration Review, 1990, May/June, p.371

likely to be highly motivated...”.²⁶⁵ Needless to say, good working conditions are also an important conditions for being satisfied, motivated and performing well.

When working on this study, the author could not find one serious empirical HRM study that proves that private employees perform better than their counterparts in the public sector. However, some studies do reveal that public sector employees do not perform less well than their private counterparts. In “Is there still a Public Service Ethos” Norris concludes that there is little difference between sectors in answers to questions about how hard they work. “A comparison across all these dimensions suggests more congruence than divergence between public and private sector employees”.²⁶⁶

Public employees generally perform well. In addition, in this study, most Member States have reported more positive effects than negative effects following the introduction of new management instruments. In our study, the answer from **Slovenia** claims that HRM reforms have improved the individual but performance but not the performance of the organisation. In addition, they have not reduced the number of poor performers. The answer from **Hungary** states that reforms have reduced the number of poor performers. The other Member States did not answer this question (probably because of the lack of data). Does this mean that one may also expect that recent HRM reforms will further enhance the performance of individuals and organisations? In this respect, answers are more difficult and would be pure speculation.

According to Rainey, many recent HRM reforms such as downsizing, an excessive emphasis on efficiency and flexibility, reforms of career structures that effect career development possibilities, mobility policies, unprofessional performance management techniques, etc. also have contradictory results. “Still, the negative turns that many reforms take tend to damage the reforms themselves”²⁶⁷ and also demoralise and damage the public service. This is confirmed by new findings (in the United States) which show that “by the middle of 2002, surveys were finding declining morale and work satisfaction...”.²⁶⁸

9.4. Working hard or hardly working? Concerning high and poor performance

When Norman Baldwin asked “Are we really lazy?” (1984), he found no difference between public and private managers’ motivation levels. Since then, most studies have discovered no difference between public and private employees working performance and the general popular assumption that civil servants do not work as hard as private employees.

²⁶⁵ *Ibid.*

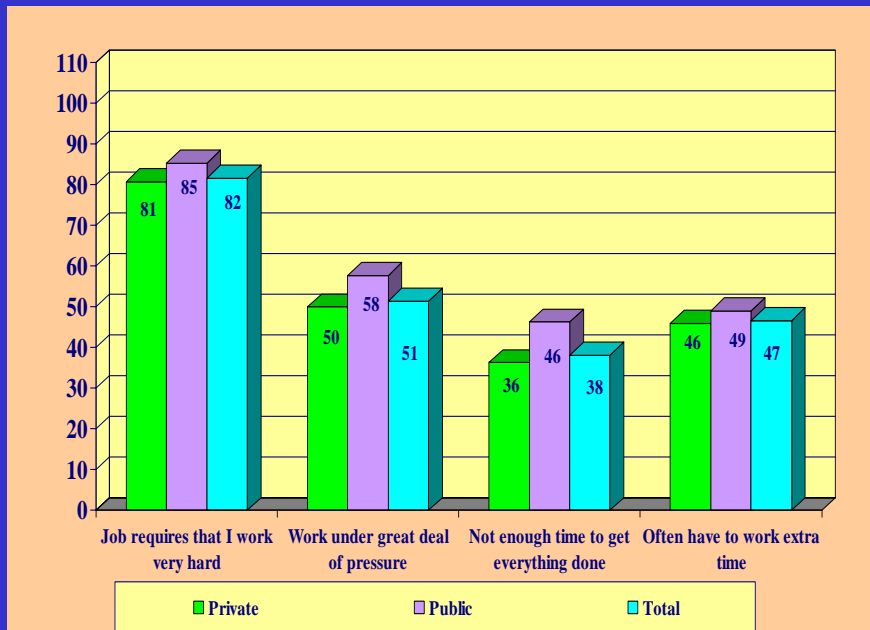
²⁶⁶ Norris Pippa, Is there still a Public Service Ethos?, in: John D Donahue/Joseph S. Nye (eds), For the People, Can we fix Public Service, Brookings Institution Press, Washington D.C 2003, pp. 87

²⁶⁷ Hal Rainey, Understanding and Managing, *op. cit.*, p. 15

²⁶⁸ *Ibid.*



Measure of Work Pressure



Source: <http://www.nccp.ie>, James Williamsen, PowerPoint presentation, conference proceedings from Workplace of the Future, 28 June 2004.

The answer from **Estonia** also confirms the public employees work hard, but work performance is also determined by specific public sector factors. *“There is a widespread public belief that civil servants do nothing in the office and leave exactly at 5 p.m. However, I can tell from the experience of myself and colleagues that most civil servants work very hard, often over office hours and even on weekends. (...). Often the performance of individual civil servants is also largely dependent on (political) decisions and the pace of changes in the public sector”.*

In the above study by Franck/Lewis (2004), the results were slightly. Public workers “were more likely than those in the private sector to report working this hard despite having lower pay, fewer advancement opportunities, and greater job security”.²⁶⁹ However, the “work ethic has declined in recent years – older employees reported working harder than younger ones...The work ethic has not declined more rapidly in the public sector”.²⁷⁰ The findings of Lewis/Franck not only suggest that public employees work hard but also that different motivational factors determine work performance among public and private employees. For example, there may be several explanations such as the existence of different extrinsic or intrinsic incentives, the importance of job security, work content or the motivational effects of job autonomy and job responsibility. On the other hand, explanations for poor performance may also differ from those in the private sector.

Experts have so far offered a number of explanations why the public sector suffers from more poor performers, such as too many rules, too little delegation and

²⁶⁹ Franck and Lewis, *op. cit.*, p. 46

²⁷⁰ Franck and Lewis, *op. cit.*, p. 47

decentralisation, too much political influence, too little motivation, structures which are too centralised, procedures which are too slow. Another widely believed explanation is that public employees have too much protection against being laid off, too little incentive to perform, too little pressure and too many privileges. As a result of their structures (so the story goes), public employees do not have to work hard and perform. In this scenario, too, the public sector suffers from excessive poor performers. However, existing studies encounter serious difficulties in proving that these problems exist.

In Europe, Parre (2002) compared the work experience of Dutch managers in the private and public sectors. He found that public managers experience a better work atmosphere (82.3% compared to 76.2%) but slightly inferior working conditions (31.2% compared to 43%) than private managers. Not surprisingly, public managers enjoy less autonomy than their colleagues in the private sector (65.6% compared to 73.2%). Both private and public managers face very high work pressure. Only 2.6% of public managers and 3.4% of private managers believe they have normal work pressure.²⁷¹

The only existing studies on the issue of poor performance were published in the United States. In a 1999 study, the American Office of Personnel Management (OPM) surveyed federal managers on their performance, finding relatively few low performers²⁷² (“The myth that the government is awash with poor performers doesn’t hold water...”.²⁷³). The OPM study estimated that between 2.8% and 4.6% of federal employees are low performers. This number of poor performers is comparable “to annual dismissal rates of about four percent in business in the US., Europe, and Japan”.²⁷⁴ On the other hand, from the number of poor performers, only few are “dealt with”. Although OPM estimated approximately 70,000 low performers in government from September 1997 to September 1998, only 159 federal employees were removed by performance-based personnel actions, with another 1,693 being removed for issues other than performance, such as breaking the law.²⁷⁵

Another recent empirical survey is “In the Web of Politics. Three Decades of the U.S Federal Executives” (2003) by Aberbach and Rockman. The authors conclude that the problems of government are not attributable to the performance or poor performance of employees or the organisation, but have their roots outside the administration (mainly in the political system and the allocation of resources).²⁷⁶ With respect to the number of poor performers, another study by Light reveals that “surprisingly, federal and private sector employees estimate almost identical numbers of poor performers in

271 Peter van der Parre, *Arbeidsmonitor Rijksdienst*, Dutch Ministry of the Interior, The Hague 2002.

272 See <http://www.opm.gov/pressrel/1999/poorperf.htm> (last checked on 1 April 2005).

273 U.S. Office of Personnel Management, Office of Merit Systems Oversight and Effectiveness, Report of a Special Study, *Poor Performers in Government, A Quest for the True Story*, Washington, D.C., January 1999. See also <http://www.opm.gov/pressrel/1999/poorperf.htm> (last checked on 1 April 2005), P.10

274 Hal G. Rainey, *Reform Trends at the Federal Level with Implications for the States: the Pursuit of Flexibility and the Human Capital Movement*, in: J.E. Kellough and L.G. Nigro, *Civil Service Reform in the States: Personnel Policies at the Sub-National Level*, Suny Press, 2005, p. 47

275 Leisha De Hart-Davis and Sanjay K. Pandey, *Red Tape and Public Employees: Does Perceived Rule Dysfunction Alienate Managers?*, Paper presented for the National Management Research Conference, October 9-11, 2003, Washington D.C

276 Aberbach/Rockmann, *op. cit.*, p. 176

their midst – roughly 25 percent”.²⁷⁷ Likewise, the **Finnish** report in this study states that there are no differences in individual performance between the public and private sector or in the number of poor performers. On the other hand, the answer from **Sweden** differs slightly on this point. *“Compared to the labour market as a whole a greater share of government workers responds that they do not work overtime at all. Government workers responding that they do not work overtime every week form a lesser share than workers do in the labour market as a whole. Sickness rates are significantly lower in the civil service than in other sectors. Most of the differences are due to differences in character of work, working conditions, hardship levels etc. On the other hand, almost half of the government workers feel that they cannot relax mentally from work during their time off. Almost 25 per cent feel that they are not up to the mark required at work and almost 20 per cent claim that they have difficulties to sleep due to job related thoughts”*

²⁷⁷ Paul Light, To restore and renew, in: Government Executive, November 2001, *op. cit.*, p. 7

10. Job security as instrument in the fight against external pressure

10.1. Job security versus external pressure

Writers on public administration have long suggested that without a specific status, legal protection, life-time tenure and special ethical rules our societies would be open to terrible corruption (*furchtbarer Korruption* – Weber) and this would undermine the capacity of the state to rule society. Consequently, in 2003, the French *Conseil d'Etat* came to the following conclusion: "...the main objectives of the successive statutes of 1946, 1959 and 1983, were to establish in **France** an ethical, competent and non-politicised civil service, that is to say a civil service loyal towards the public authority, and which is protected from political and partisan pressures. This result is without doubt to be regarded as successful...".²⁷⁸

In **Ireland**, too, "*Life time tenure is seen as protecting the independence of civil servants, particularly given the requirement that they be able to give unbiased advice to the Government of the day. Civil servants are also expected to exercise high ethical standards of fairness in the discharge of their duties without bias e.g. in relation to enforcement of regulations*".

In addition, other Member States are in favour of preserving life-time tenure – but for certain categories of civil servants, e.g. in **Portugal**. "*In the case of public service core functions and activities, such as regulation, monitoring and auditing, and other functions that are of the exclusive responsibility of the State, namely, authority, sovereign and external representation functions, life-tenure is justifiable, as it provides necessary employment stability and protects the civil servant against political pressure. As regards other functions, such as provision of services, an employment contract would appear to be more suitable*".

Politicisation as such can be interpreted in many ways:

- public servants working in a political environment;
- ministers or others intervening in the recruitment and appointment on merit;
- advice and expertise selected and judged on the basis of whether an individual is "one of us";
- a system which is based on political appointees; and
- performance-related rewards and individual careers depending on the commitment to an ideology, whether it is that of a minister or non-minister. Alternatively, the individual perception that giving unwelcome advice may prejudice that individual's career.

Are civil servants less politicised than other employees? Are they less corrupt? "Today it is impossible to study the politicisation of the civil service without taking into account the social evolution, political culture and the history of the various

²⁷⁸ Council of State, Public report of the Council of State, Studies and Documents, Reflections on the Civil Service, Paris, 2003

countries...”.²⁷⁹ This means that the introduction of a career system or a specific legal status will not – as probably expected – reduce the politicisation of the national public service. For this, a number of other cultural, political and sociological elements will have to change, too.

In our survey, we asked whether Member States agreed with the following. *“The main argument in favour of life-time tenure is that it compensates for the generally higher private sector salaries and, even more, enhances job protection for those employees with a regulatory or enforcement function and with jobs needing protection against individual and political pressure”.*

Whereas most Member States agreed that job security can be justified in order to protect employees from external pressure or political pressure, most Member States disagreed that there is also a relationship with pay. In fact, most Member States reported that pay in the private sector is not higher than in the public sector (the exception being in most cases senior-level pay).

The main argument in favour of life-time tenure is that it enhances job protection for those employees with a regulatory or enforcement function and with jobs needing protection against individual and political pressure.	The main argument in favour of life-time tenure is that it enhances job protection for those employees with a regulatory or enforcement function and with jobs needing protection against individual and political pressure.
Agree: <ul style="list-style-type: none"> • Denmark (generally); • Slovakia; • France; • Cyprus; • Lithuania; • Malta; • Slovenia; • Belgium; • Estonia; • Greece; • Hungary; • Germany; • Poland (generally); • Portugal; • Spain (Bulgaria); • Italy; • Luxembourg; • Ireland (implicitly). 	Disagree: <ul style="list-style-type: none"> • Sweden; • United Kingdom; • The Netherlands; • Latvia.

* Not all Member States replied to this question.

²⁷⁹ Luc Rouban, Politicisation of the Civil Service, in: Peters/Pierre, *op. cit.*, p. 310

The issue of job security is still surrounded by many myths. For example, whereas people believe that all public employees enjoy life-time tenure and greater job security, this is not always the case. In most Member States, public employees can be dismissed for poor performance and other legal violations. In addition, life-time tenure does not exist everywhere. Instead, many Member States offer unlimited contracts to their public employees and job-security in the public sector is different to the situation in the private sector.

Furthermore, in countries without life-time tenure, e.g. in **Sweden**, *“Job protection may be managed very well even if you do not use life-time tenure. For Swedish civil servants, there is a special job protection agreement that increases the already beneficial general conditions on the Swedish labour market. The aim for assistance in case of redundancy is to find a new job in the labour market as a whole, not only in the civil service”* (**Swedish** answer). In the **United Kingdom** *“Job security is generally very high – 91% feel very or fairly secure – (...) it is higher in the public than in the private sector”*

At present, almost all Member States offer more job security to their public employees than companies to employees in the private sector. And even if there is not more job security in the public service (compared to the private sector), jobs in the public sector are perceived as being more stable. One example is the situation in **Latvia**. Although most public employees do not have a life-time tenure, *“51.9% of all civil servants mention job guarantees as important factors to choose a job in the public sector”*.

10.2. Job security as motivational instrument

Another aspect of public service employment is the function of job security as a motivational instrument. In most Member States, job security in the public sector is an important motivational element for the recruitment and the retention of staff. In **Belgium**, for example, a large majority of federal employees say that they work for the federal administration also because of the enhanced security of the job (63%). At present, therefore, most Member States still agree with this argument that job security is important, but also argue that more job security can only be justified for specific positions and functions. Consequently, job security seems to be widely accepted as an important motivational factor. This is also in line with many studies that show the detrimental effects of job insecurity.²⁸⁰

In the past few years, the privileged treatment of public employees regarding job security and specific social security schemes seems to have caused frustrations in some Member States. Many people believe that public employees should not be treated differently to private employees. In addition, many believe that job security (or job tenure) will not enhance performance since public employees do not fear dismissal or sanctions in the event of poor performance. In our study, we therefore

280 Bert Klandermans and Tinka van Vuuren, Job Insecurity: Introduction, in: European Journal of Work and Organizational Psychology, 1999, Vol. 8, pp. 145-153; Hans de Witte, Job Insecurity and Psychological Well-being: Review of the Literature and Exploration of some unresolved Issues, in: European Journal of Work and Organizational Psychology, 1999, Vol. 8, pp. 155-177; Johnny Hellgren, Markus Sverke and Kerstin Isaksson, A Two – dimensional Approach to Job Insecurity: Consequences for Employees Attitudes and Well being, in: European Journal of Work and Organizational Psychology, 1999, Vol. 8, pp. 179-195, see also the case studies about Finland and the Netherlands in this volume.

asked whether “*The possibility of firing staff for poor performance may lead to higher performance levels, since staff would believe they are subject to sharper discipline*”. Most Member States did not agree with this hypothesis; only **Denmark, the Netherlands, Lithuania, Cyprus and Italy** were inclined to agree.

The **German** report noted that in contrast to the private sector, civil servants are often not aware or made aware of the fact that instruments do in fact exist which – in extreme cases – may lead to a dismissal because of poor performance. Consequently, civil servants do not feel any insecurity or do not worry about themselves and their performance. As a result, performance may suffer in individual cases. **Spain** also agrees that the “*possibility of firing staff for poor performance could lead to higher performance levels*”. However, “*it should also be pointed out that performance levels largely depend on motivation, which englobes a large spectre of measures which have an impact on performance levels. Therefore, establishing a direct link between possibility of firing and high performance levels seems too blunt a statement*” (**Spain**).

All other Member States stated that “*dismissing people for poor performance is not a way to ensure higher performance*” (**Lithuania**) and the management of poor performance must be linked to good management, and dismissal is a last resort (**United Kingdom, Ireland and the European Commission**). According to the **Polish** answer “*Fear of discipline is not the only and not the best motivator. Thus, we should consider other possibilities in case of poor performance of civil servants, e.g. training, transfer to another positionFiring staff should be used as a last resort after other solutions have failed. Moreover it is doubtful that a civil servant would link dismissal to their own poor performance*”. Finally, the **French** report stated that it is difficult to improve employees performance on the basis of fear of dismissal (“*la crainte du licenciement*”). The highest possible effectiveness should be sought via positive incentives, e.g. organisation of the work, individual performance management, training, promotion, etc. With regard to this point, job guarantee is an important motivational factor which should be exploited dynamically. However, job security can also be assured if civil servants do not work in a career system with a life-tenure.

The possibility of firing staff for poor performance may lead to higher performance levels, since staff would believe they are subject to sharper discipline.	The possibility of firing staff for poor performance may lead to higher performance levels, since staff would believe they are subject to sharper discipline.
<p>Agree:</p> <ul style="list-style-type: none"> • Denmark (inclined to agree); • Cyprus; • Lithuania; • The Netherlands (with comments); • Italy (not entirely). 	<p>Disagree:</p> <ul style="list-style-type: none"> • Malta; • Slovenia; • Greece; • Hungary; • Poland (generally); • Luxembourg; • Czech Republic.

* Not all Member States replied to this question. Almost all Member States mentioned that firing personnel is only a last resort instrument not having a positive motivational impact. Therefore, some Member States have not adopted a position and have made additional comments, e.g. Sweden, Slovakia, Germany, United Kingdom and (Bulgaria).

In **Sweden**, firing staff for bad performance is certainly not easy. As an employer, you have to prove an employee's misconduct or deliberate misuse of power or resources. The possibility of firing staff for bad performance would have a disadvantageous side effect: the risk of losing trust between management and staff. Investments in enjoying work, encouraging confidence and promoting the common interest seem to be better ways of raising performance rather than strengthening discipline and stressing the internal formal execution of power. According to the **Dutch** reply, *“although there is a slight difference in the rules and regulations on firing staff in the private and the public sector, this does not lead to any big differences in reality. Mostly, employees in the civil service as well as in the private sector leave because their temporary contracts are not extended. We feel that dismissal occurs less easily in the public sector than in the private sector, but it is doubtful whether this is related to results and performance. It is probably more related to the organisational culture. In the civil service, it is relatively easy to transfer employees to other positions if they do not function well. In this respect, the civil service is not different from larger companies such as Philips. People are hardly ever dismissed because they are incapable or because their performance is bad. It is important that dismissal of employees is possible when their performance is constantly poor, but this is not something that needs to be emphasised as it might lead to a very strict interpretation of the work activities of the employees.*

It could be helpful if there were fewer rules in the public sector relating to the dismissal of employees. However, in the end the problem is not so much whether the right rules exist, but whether or not the existing rules are applied”.

11. What would happen if the civil service status were to be abolished?

What would happen if a specific civil service were to be abolished and public employees would no longer be any different to employees in the private sector. Would corruption and unethical behaviour increase, would politicisation be enhanced, and would fairness and the rule of law vanish?

In the survey, the Member States were asked to reply to the following question which concerned the link between privatisation, politicisation and mobility. *“Total privatisation of the civil service would lead to a decline in organisational loyalty, more ethical problems and more politicisation. In addition, it would increase mobility between the public and private sector and lead to less continuity and stability in the public service”*. *“Do you agree?, Do you disagree?, Other”*.

The question was designed according to the following assumptions. In general, supporters and opponents of eliminating the differences between public and private employees make a number of predictions about the beneficial or negative effects for the performance and stability of public sector employment.

Our hypothesis is that critics of alignment and privatisation policies would argue that a total privatisation would lead to a decline in loyalty to the organisation, increase the danger of conflicts of interests and provokes political instability, etc. In our survey, we expected proponents of alignment/privatisation trends in civil service status to argue that the civil services face tremendous challenges and need serious reform. In addition, an excessive separation of the public and private sector would contradict new developments in almost all modern societies which require new models of governance. Furthermore, civil service reforms will also free civil servants and managers from ineffective and inefficient bureaucratic restraints, increase their authority and flexibility, improve performance by individuals and organisations and give employees more control and responsibility over work. In addition, the alignment of working conditions between the public and private sector, the possibility of dismissing employees (other than for disciplinary reasons), the introduction of performance contracts and the individualisation of pay would lead to higher performance levels, as employees would be more motivated due to the fear of losing their jobs as a result of poor-performance (in extreme cases).

In their replies, most Member States split their answers in accordance with the first part of the question, *“Total privatisation of the civil service would lead to a decline in organisational loyalty, more ethical problems and more politicisation”* and the second part of the question, *“In addition, it would increase mobility between the public and private sector and lead to less continuity and stability in the public service”*.

With regard to the second part of the question, in particular, most Member States agreed that such a measure would increase mobility flows. Whereas most Member States saw this as a positive development, e.g. **France, Poland and Ireland**, others also referred to the problem that too much mobility could also have a negative impact on the stability of public services (**Hungarian** reply). The answer from **Ireland** is

representative of most Member States. *“An increase in mobility between the civil service and the private sector could have benefits. The civil service could benefit from the application of some private sector ideas where these could, in certain ‘service-delivery’ areas, result in increased efficiency and a more effective delivery of the service to the customer”*.

The answers to the first part of the question showed that no country is planning to privatise its public service in full. The reply from the **United Kingdom** was as follows. *“There is no expectation of privatising our civil service and the integrity of civil servants is highly valued.*

In fact, about half the Member States (**France, Cyprus, Lithuania, Malta, Slovenia, Belgium, Germany, Poland, Spain, Finland**) were of the opinion that a total privatisation would produce more problems. For example, according to the answer from **Slovakia** (which is representative for many others), *“There is a chance that total privatisation of the civil service would lead to a decline in organisational loyalty, more ethical problems and more politicisation, but it is not necessary, that such a situation will supervene/happen”*. In **Luxembourg**, the total privatisation of the public service would be seen as a threat to the security of employment, a possible deterioration of social security provisions and give rise to the possibility that civil servants could be dismissed. However, the idea of privatisation is not related to a possible increase of ethical problems and loyalty conflicts.

The **Irish** reply stated that *“this is a complex question and cannot be answered with a simple “yes or no”. Certain areas of public service may lend themselves to privatisation. An example would be the processing of benefit payments. This is the type of activity that could be suitable for a private sector involvement. To put such activities out to tender could possibly result in a more efficient and cost effective delivery of the service. The provision of the service should be the subject of strict audits to ensure that the required service levels and ethical standards are maintained. However, the policy that underpins the benefit system is something that should remain within the Government and the civil service. Private sector organisations take on staff to meet peaks in demand. The introduction of a significant number of employees on short term contracts could have an impact on organisational loyalty as such employees may not have such a strong connection with or commitment to the organisation as an employee with more secure tenure”*.

Surprisingly, a relative high number of respondents also disagreed (**Denmark, Slovakia, Greece, Estonia, the Netherlands, Portugal, Latvia, Italy**) and considered the positive effects of privatising the public service, either wholly or in part.

Total privatisation of the civil service would lead to a decline in organisational loyalty, more ethical problems and more politicisation	Total privatisation of the civil service would lead to a decline in organisational loyalty, more ethical problems and more politicisation
Agree or partly agree <ul style="list-style-type: none"> • France; • Cyprus; • Lithuania; 	Disagree (more positive effects of privatisation) <ul style="list-style-type: none"> • Denmark; • Slovakia;

<ul style="list-style-type: none"> • Malta; • Slovenia; • Belgium; • Germany; • Poland; • Spain; • Finland; • Czech Republic; • Luxembourg (but no link to ethical problems); • Ireland (only partly). 	<ul style="list-style-type: none"> • Greece; • Estonia; • The Netherlands; • Portugal; • Latvia; • Italy; • Ireland (only partly).
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Note: Not all Member States have replied to this question

According to the answer from the **United Kingdom**, *“Whilst some services, particularly those dealing with secure information, must remain in the state sector, Departments have flexibility to use private services where appropriate to provide high quality services and value for money. Agencies are run as businesses, often with obligations to break even financially (...). Mobility between the private and public sectors is viewed as an asset, not a drawback: Civil Servants are positively encouraged to gain private sector experience; private sector secondees are welcomed into the Civil Service at all levels; staff join and leave the Civil Service at different stages of their careers, sometimes spending the rest of their careers in other sectors. (...). We do not offer life-time tenure – and in return we do not expect Civil Servants necessarily to stay in the Service for life!”.*

According to the **Swedish** answer, the *“answer would be very complicated if the expression “total privatisation” is given a wider meaning than that the same laws and regulations about conditions of employment should apply to the public sector as well as to the private sector. Nevertheless SAGE does not consider that flexible conditions of employment, such as individual and differentiated pay, the possibility to give employees notice in case of redundancy etc. automatically will lead to the kind of problems that are mentioned above. Especially since Swedish regulations in law still constitute the responsibilities of being a civil servant. On the other hand, if “privatisation” means turning the civil service into private corporations, the issue is much more complex. The issue to discuss would then rather be “What kind of business is it appropriate to privatise?” If the appropriate businesses are privatised possible changes in loyalty, ethics etc. will cause minor, if any problems. The issue of contracting out is similar, but not identical. Again, it is of essential importance to contract out the right kind of businesses. Otherwise you may face severe problems to manage and control private entrepreneurs in their exercising of public power and public policies”.*

“The Netherlands has civil service laws but strives in general for “normalised” labour relations, meaning as much conformity with the applicable market regulations as we can get. We assume that the question relates to that aspect, and not the total performance of all state tasks by private companies, which is a rather extreme proposition. We understand privatisation in a more limited sense, recruiting in accordance with private law only (e.g. UK). It seems that such a system does not automatically lead to the American “spoils” system.

Complete privatisation/normalisation might not necessarily create a decrease in loyalty or an increase in ethical problems by the public employee working on a private law labour contract. Private companies can produce passports just as well as public institutions. The private sector is equally involved in Corporate governance and ethics discussions. The formal structure of the public organisation is related to the conditions and circumstances under which such a “privatisation” of public labour conditions takes place. The surroundings and the social context are at least as important as these formal structures. That relationship between privatisation and politicising is not entirely clear. Probably politization would be a bigger risk in case of volatile socio-economic circumstances, where a custom of sacking foes and recruiting friends may evolve.

It remains questionable however, whether or not mobility with the private sector would increase in this scenario of complete privatisation. If labour relations are the same in public and private organisations, then people can choose freely. The contents of the job are what the choice, in the end, is all about. Job mobility might increase, but this does not cause any risks or hazards to the continuity and stability in the public sector, as long as strong code of conducts and other obligations are appropriately enshrined and enforced by Management and Justice-authorities. New initiatives are underway in the Netherlands, following inter alia the European Ethics Framework document”.

Finally, the **Italian** answer argued that privatisation as such does not have negative effects. “*Much depends on the behaviour of the single agents and not only on the system typology (public or private)*”.

Until now, only few cases exist where the civil service has been privatised. In the European Union, even Sweden has retained some traditional civil service principles, e.g. specific ethical requirements and obligations for judges. It would therefore be important to look for other examples.

11.1. Looking for benchmarks: The privatisation of the public service and the case of Georgia (USA)

In the United States, the State of Georgia passed a radical reform in 1996 that, in effect, removed all new employees from the traditional career service and made them “at-will” employees. In fact, this was less a reform than a straightforward elimination of the traditional civil service, explicitly intended to make it easier for state agencies to fire employees who do not satisfy performance standards or who do not respond to executive policies. Another objective of the reform was to decentralise almost every basic personnel function from the central offices to the individual agencies including compensation, hiring and affirmative action.

Another underlying reason for the reform was that traditional administration was seen as overregulated, too centralised, too slow and unresponsive. In contrast, a business model was seen as bringing increased efficiency, flexibility and alternative service

delivery mechanisms.²⁸¹ “What we’ve got is a rigid inflexible system. It’s antiquated. And it needs to be changed. . . . We don’t believe that public employees should have any protection that the private employees don’t have. Why should government be any different?”²⁸² Similar, but less drastic reforms were undertaken in Florida, Arizona, Washington D.C. and Texas.

In Georgia, after the introduction of the new reform act, new civil servants had no seniority rights and no rights to appeal against disciplinary actions such as a reduction of salaries, dismissal or bad personnel evaluation. Annual salary increases were abolished. Furthermore, agencies were free to write their own job descriptions and pay what they wished. “So if an agency wants to pay more to attract a higher-quality candidate to some-low level clerical position, it can simply create a new title and pay scale”.²⁸³

According to a survey by Walters, positive outcomes of the reform in Georgia were clearly the reduction in the length of time for hiring, firing, promotion and re-assignment of tasks. In addition, the satisfaction level of personnel managers increased and more responsibilities were given to agency personnel, recruitment was made more flexible, hiring was more timely, and pay and promotions became more flexible.²⁸⁴ Negative outcomes were that “the state has seen a proliferation of job titles – a one third increase...”²⁸⁵ and the lack of uniformity and even divisions within departments for similar work.²⁸⁶ Furthermore, the abolition of careers and seniority has to some extent stifled career advancement²⁸⁷ and employees were not very supportive of the reforms.²⁸⁸ As to the number of lay-offs, they have doubled, but remain “pretty low”.²⁸⁹

Other surveys, mainly by Kellough and Nigro, relating to the attitudes of classified and unclassified employees “at will”²⁹⁰, and a survey by Sanders²⁹¹ revealed a mix of views (although many were rather negative) toward the Georgia reforms, suggesting that they have not been particularly effective. According to Kellough and Nigro, “our results raise doubt that the reforms were successful in developing more effective personnel processes or more motivated public employees. Large majorities of classified and unclassified employees found that most of the measures implemented were not working as reform proponents had expected. We believe that this outcome raises a fundamental question of the relationship between theory and practice in

281 Jonathan West, Georgia on the Mind of Radical Civil Service Reformers, *Review of Public Personnel Administration*, Vol. 22, No. 2 Summer 2002 79-93.

282 Charles W. Gossett, Civil Service Reform, The Case of Georgia, *Georgia Southern University Review of Public Personnel Administration*, Vol. 22, No. 2 Summer 2002 94-113, 2002 Sage Publications, p. 101

283 Walters, J., Life after Civil Service Reform: The Texas, Georgia, and Florida Experiences, IBM Endowment for The Business of Government, Human Capital Series, October 2002, p. 24

284 Walters, *op. cit.*, p. 27

285 Walters, *op. cit.*, p. 25

286 Walters, *op. cit.*, p. 28

287 Walters, *op. cit.*, p. 25

288 Walters, *op. cit.*, p. 29

289 Walters, *op. cit.*, p. 26

290 See especially J. Edward Kellough and Lloyd G. Nigro, *Dramatic Reform of the Public Service: At Will Employment and the Effort to Create a New Public Workforce*, Manuscript, January 28, 2005.

291 Robert M. Sanders, Georgia Gain or Georgia Loss? The Great Experiment in State Civil Service Reform, in: *Public Personnel Management*, Vol. 33, Summer 2004, p. 151162.

public service reform. Simple theories of motivation or of organisational change may not be adequate. More careful thought must be given to what it takes to build a productive and dedicated public workforce”.²⁹²

In another study, Coggburn revealed reveal serious doubts as to whether a simple decentralisation and deregulation policy will lead to improved performance. “The important thing to remember is that deregulation, just like any other type of personnel reform, will produce effects, some anticipated and desirable, others unanticipated and undesirable”.²⁹³

In addition, a study by Klopp revealed problematic results. “Also, a substantial number of employees viewed promotions and pay increases as being bestowed upon favoured employees under performance standards that are often vague and arbitrary. Meanwhile (...) employees were upset that the previous administration’s promise to raise pay didn’t materialise (...) While changes in the system may have been significant, thus far it does not appear that improvements in productivity or public service have been significant”.²⁹⁴

Most interesting is that also all employees in Georgia agree that there had been little if any real change in the human resources practices in their agencies following enactment of the civil service reform law²⁹⁵ and "over 75% disagreed with the idea that Act 816 had resulted in a state workforce that is now more productive and responsive to the public...".²⁹⁶ On the other hand, fears that the shift “of large numbers of employees to the unclassified service would lead to the abuse or manipulation of workers for political reasons” could not be confirmed!²⁹⁷ Most employees were of the opinion that they are not “exposed to partisan political coercion on the job”.²⁹⁸

The studies of Kellough and Nigro, in particular, reveal some very interesting and unexpected outcomes of the Georgia reforms. The first is that “for the most part, they are not convinced that the act has done much to improve human resources practices or performance on the agency level”.²⁹⁹ The second is that negative outcomes dominate the positive outcomes of the reform. And the third is that political coercion has not increased significantly and the number of dismissals is still rather low.

One could derive two interesting hypotheses from these conclusions. Firstly, that alignment of working conditions may have an adverse effect on – rather than improve – working conditions, performance and motivation. Secondly, alignment does not necessarily result in more insecurity for employees and will not increase

292 Edward Kellough and Lloyd G. Nigro, *Dramatic Reform of the Public Service: At Will Employment and the Effort to create a new Public Workforce*, unpublished paper, University of Georgia/Georgia State University, 2005, pp. 19/20

293 Jerrell. D. Coggburn, *Deregulating the Public Personnel Function*, in: Steven W. Hays/Richard C. Kearney, *Public Personnel Administration*, Fourth Edition, 2003, p. 87

294Klopp, B., *Civil Service Reform*, in: *Collective Bargaining Reporter*, http://www.afscme.org/wrkplace/cbr102_1.htm, p.4

295 *Ibid.*

296 *Ibid.*

297 Edward Kellough and L.G. Nigro, *Administrative Theory and Civil Service Reform; A review of the Georgia Experience*, University of Georgia, Manuscript, May 1, 2003, p. 17

298 Kellough/Nigro, *Administrative Theory*, p. 12

299 Kellough/Nigro, *Administrative Theory*, p. 14

political pressure on them. “Predictions that removing the protections (...) from employees would have a significant negative impact on their loyalty when compared to employees who did have such protection are not supported by the findings ... On most of the specific issues investigated here – profession of concern for the agency, likelihood of changing jobs in the near future, interest in having employee organisations represent them, and responsiveness to managers' direction – there are no significant differences”.³⁰⁰

³⁰⁰ Gossett, Charles W., The Changing Face of Georgia's Merit System: Results from an Attitude Survey in the Georgia Department of Juvenile Justice, in: Public Personnel Department, Vol. 32, No 2, 2003, p.277

12. Conclusions: civil servants as ordinary people?

At present, the differences between public and private officials in working time, pay, pensions, holidays, recruitment and competency requirements are less significant than they were. One of the most important examples in the last few years is the introduction of open competitions for managers (who are recruited for a limited period) and the introduction of performance-related salaries. Often, these reforms were undertaken with good reasons, as arguments for a specific status have become less convincing. Why should top officials be recruited by internal competition and be selected as a result of the goodwill of the minister? Why not introduce a fair and rational competition instead? Similar changes have taken place as regards the traditional seniority principle. Although seniority still plays an important role, it is slowly being replaced by the principle of merit – at last! Why should an average 60 year-old official earn a better salary than a high-performing 30 year-old with two young children (and a real need for a better salary than his older colleague)? This example also shows that the introduction of merit as a promotion principle and greater mobility between the private and public sectors contribute to the silent abolition of the public status civil servant.

Without doubt, the future will see the emergence of a growing paradox. On the one hand, growing doubts about the need for employees with a specific status (civil servants) and different working conditions will lead to the alignment of working conditions with those in the private sector. On the other hand, most studies reveal that the traditional civil servant is not the problem. Most of them are satisfied with their work and generally perform well. However, other public employees without a civil service status generally perform well, too, and are relatively satisfied in their jobs. Moreover, they show high levels of commitment to the organisation. In fact, the reality is not so bleak as it seems for many public employees, either civil servants or public employees. For example:

- the argument that public servants are less flexible and work from 9 a.m. to 5 p.m. The reality seems to be that civil servants often work overtime;
- the perceptions that civil servants are frustrated and dissatisfied. In reality, most surveys reveal that the public sector is composed of mainly satisfied, motivated and highly qualified people;
- the image that bureaucrats are not very effective in their work. In fact, public sector employees often score higher in assessments of work force quality ...³⁰¹
- the claim that the number of poor performers is higher in the public sector. More research needs to be done in this respect. However, existing studies show that “public and private sector employees estimate almost identical numbers of poor performers in their midst”.³⁰² Therefore, most studies on performance come to the conclusion that the people are not the problem;

301 Barry Bozeman/Hal Rainey, Organizational Rules and the “Bureaucratic Personality” in: American Journal of Political Science, Vol. 42, No. 1, 1998, p. 185

302 Paul Light, Paul C. Light, To restore and review, *op cit.*, p. 7

- the perception that personnel policies and procedures in public organisations are subject to more rules than in private companies could be confirmed. “Public and private organisations differ more strongly on formalisation of personnel procedures...”³⁰³ (especially as regards recruitment). In this area, public personnel policies seem to be more formalised, rigid and slow than in the private sector.

Popular assumptions, perceptions and the reality

Assumptions and perceptions	Empirical (academic) evidence – right or wrong?
Civil Servants perform differently and have different attitudes to comparable positions in the private sector.	No evidence. For example, teachers or professors perform similarly in privatised or public schools/universities
Civil Servants perform differently and have different attitudes to other public employees	No evidence. This raises the question of the legitimacy of some differences in public employment
Public and private organisations are clearly different	There are differences as regards internal and external pressures for change. Also tasks are different. However, it is becoming increasingly difficult to distinguish private and public organisations at all
Public organisations are much more open to certain types of external pressures and constraints (media, courts, politics)	Yes, public organisations tend to be subject to more directions and interventions from political actors, judicial authorities (courts), media and citizens. Other external influences are demographic trends (recruitment and diversity trends), stakeholder pressure and more rules
Public organisations and public managers perform less good than private organisations	Difficulties in comparison. There is no evidence. Government organisations and managers perform much better than is commonly acknowledged
There is a strong link between organisational structure and bureaucratic mentality	The evidence reviewed to verify the bureaucratic personality does not confirm that it exists.
Negative stereotypes about civil servants have contain an element of truth	The validity of the negative stereotypes of public employees is unfounded
Profile of workforce in the public and private sector is different	Often, public employees are better qualified and older. Public service employment is attractive in times of economic crisis. Turnover of staff seems to be lower in public than in private organisations
Civil servants are less flexible, open-minded and creative	Civil servants are not less flexible and open-minded than others, and they do not appear more rule oriented. Indeed, much evidence points to little difference between civil servants and ordinary people
Civil servants are more lazy because they enjoy greater job security	Civil servants work as hard as other employees
Knowing they will be treated fairly, individuals	There is no evidence that public services attract a

303 Bozeman/Rainey, Comparing, op cit, p.455

with greater needs for job security are attracted to the public sector. Knowing that they are less likely to suffer negative consequences for their lack of motivation, lazier individuals are also attracted to the public sector	greater number of poor performers
The motivational level of public servants is a reaction to the sector, not something employees bring to the sector. In contrast to the private sector, the public services inhibit motivation because rewards are rarely contingent upon performance and the specific tasks of the public sector prevent the adoption of clear performance standards	Mostly, public servants bring motivational levels to the sector. All Member States are very eager to adopt new performance management systems. In addition, motivation and satisfaction is not lower in public service
Public servants employees are more ethical than private employees	There is no evidence to support this. However, civil servants have specific ethical standards and requirements
Public Servants are more motivated by non-pecuniary benefits than private employees	Pay is clearly an important motivational factor. However, public servants also have a specific public service motivation (PSM). Public servants are more motivated to participate in public affairs and to do useful work. Furthermore, a desire to help others and to be useful to society has a positive impact on both preference for governments jobs
Relative to private employees in private organisations, the often protracted political decision-making processes in public organisations can cause public servants to become frustrated and demotivated	This assumption seem to be correct
Public servants often appear insensitive when the unique problems of citizens do not readily fall within the rules and regulations	No evidence. Member States focus on efforts to improve citizen and service orientation. In some Member States, service delivery and citizen orientation are priorities
Job security is still a major selling point of public service employment. More risk-averse individuals have a preference for public sector employment	Yes, those who strongly value job security are more likely to want to work for the public services
Public managers perceive more red tape than private managers. Personnel red tape, in particular, has strong influence on commitment to the organisation and job satisfaction	Yes, public servants suffer from too much red tape. Red tape also has a strong influence on organisational commitment and job satisfaction
Leadership is inferior to the private sector.	Surveys reveal mixed evidence concerning the quality of leadership in public services. Overall, there is too little evidence. Because of the ongoing decentralisation trends, leadership and quality are becoming priority issues in public service
Public employees perform less than employees in the private sector	No difference in individual performance between the public and private sector. In general, public servants perform well. The people are not the problem but the structures (Al Gore). There are more difficulties in measuring performance in public services.
Public organisations are hierarchical,	Public organisations are in a process of change but must embrace certain principles and tasks:

bureaucratic, slow and inefficient.	“predictability and stability, rationality, reliance on expertise, equitable treatment – while discarding the negative features: rigidity, inability to deal with special needs, and setting of barriers between officialdom and citizens” (Bozeman)
Are civil servants are different because they are civil servants?	Civil Servants are not different because they are civil servants. In fact, people who are applying for civil service jobs have different motivational characteristics than private sector employees

Almost all the above findings conflict sharply with general stereotypes concerning processes, behaviour, rules and (also partly with) red tape in government.³⁰⁴ However, the assumption that public and private sector are completely similar may produce some difficulties, too. For example, while some experts believe that civil servants “place less value on money and more on public service, the dominant tendency in civil service reform and personnel reforms have emphasised precisely the opposite priorities...”³⁰⁵ and has focused on the introduction of material and financial incentives. This shows that incorrect assumptions easily results in inappropriate or deficient policies.

Change and reform may also result in deterioration and produce adverse effects on motivation, performance and work satisfaction. It may also be the case that a simple privatisation of the civil service reduces the attractiveness of the public service as an employer. Consequently, future civil service of the future must redefine its role as an employer, and the image of the public service must be improved.

Many new reforms, in particular, are appealing as they claim to offer the opposite of what the well-known traditional career civil service and post-communist bureaucracies have produced: flexibility, responsibility, freedom, adaptability and the elimination and simplification of many rules, etc. Furthermore, new public management reforms advocate deregulation and regulatory reform, decentralisation of responsibilities, flatter hierarchies, privatisation, delegation, contracting out, more citizen orientation, better lines of accountability. To sum up: a government that is more effective and costs less. “The problem is that these objectives, which most people would agree are admirable, are not without blemishes”. Each of them has downsides. Turning the “rhetoric into reality is a tough challenge...”³⁰⁶

At present, the reality of HRM management is very uncertain and ambiguous and the financial situation in many Member States is difficult. For example, the “issue of how to balance the need for managers to have more flexibility and for the systems to be simpler and more transparent with the ongoing need to protect individual employees

304 Bozeman/Rainey, Comparing, *op. cit.*, p 454

305 Rainey, Hal G./Bozeman, Barry, Comparing Public and Private Organizations: Empirical Research and the Power of the Apriori, in Journal of Public Administration Research and Theory, Vol. 10, No 2 ,2000, p. 462

306 Hecló, Hugh, Issue Network and the executive establishment, in: Richard, J Stillmann, Public Administration, Fourth Edition, Houghton Company, Boston 1988

from abuse and to protect the underlying value of merit is probably the key issue currently facing the personnel field".³⁰⁷

However, challenges like these have not yet been considered sufficiently and HRM as a strategic policy exists only in a few cases. The consequence is that working conditions are partly deteriorating. Salaries are mostly stable but not increasing very much, hours worked over a life-time are likely to increase, time-intensity is increasing, stress related problems, e.g. back pain, are on the rise, overwork is a dominant feature, career development is not a strategic policy and leadership is often poor. In addition, lots of organisations are still very bureaucratic and officials suffer from too little job autonomy. Reforms in the field do not always bring improvements. The decentralisation of responsibilities only makes sense when managers are not swamped by overwork and are trained in their tasks. Performance management programmes make sense, but only when appraisals can take place in an atmosphere of mutual trust, respect and understanding. This again presupposes established communication structures between the superior and the employee. But who has time, and who takes time to implement professional performance measurement systems?

This is not to say that traditional bureaucracy is good and new reforms are bad. In reality, public organisations which are based too much on hierarchical principles, impersonal behaviour, formalism and rationality suffer from many shortcomings, both human or otherwise. In addition, hierarchical, rule-based, formal and impersonal organisations no longer match our changing societies, expectations of citizens, or the changing attitudes, qualifications, values and skills of the bureaucrats. Today, we know that an excessive focus on rationality, rigidity, and organisation-based (rather than individual) principles does more harm than good. Traditional career principles tend to get too rigid if mobility is not enhanced, e.g. if recruitment of civil servants is restricted to the entry level, and organisations which are too hierarchical produce slow procedures, frustration and demotivation among citizens. For example, new developments have clearly brought positive results, such as a new openness, better citizen services, more sensibility towards equality and ethical issues, more flexibility and mobility in HRM, more women in senior management positions, possibilities for younger officials to assume senior positions, more and better training opportunities, etc.

However, Human Resource Management should be acknowledged as a complex task. There are no easy solutions, and new developments also bring new problems: more ethical concerns, more stress, declining moral and work satisfaction, etc.

The reform in organisations is being mirrored in the case of employees – the civil servants. Whereas in most European countries, the status of civil servant has survived all reforms, the specific nature of such a status is diminishing. The public law official and the oath still exist almost everywhere. In some countries, up to 80% of all public employees are still civil servants. At the same time, there is neither a common definition nor a common understanding of who should assume civil service status.

307 Carolyn Ban and Norma M. Riccucci, *Public Personnel Management: Where has it been, Where is it going?*, In: Carolyn Ban and Norma M. Riccucci, *Public Personnel Management*, Addison Wesley Longman, 2002, p. 4

But should civil servants continue to be treated differently and have specific working conditions? Or should all public employees have the same status and should HRM focus on maintaining satisfactory working conditions for all? In our study, we have found evidence that the second option would – if not for all categories of staff – probably be the best and fairest solution. However, things are not so easy.

Take the case of corruption and neutrality: will life-time tenure and a career structure result in less corruption, less political influence and greater neutrality? Or are political influence, favouritism, and corruption more a matter of political culture, tradition and other working conditions (such as low pay)? The questions are extremely difficult to answer. What we know, though, is that job security, satisfactory working conditions, professional career development policies and participative modes of management are important motivational factors and enhance performance. Whether in the public or in the private sector is not so important.

In Europe, however, no country is willing to totally privatise the national civil service. The normalisation process in many countries has led to a number of alignments, but not to a total privatisation and most of all, public employees still enjoy public law status. In most EU countries, a number of specific categories of employees have specific working conditions. Even in Sweden and Italy, some public employees, e.g. judges and prosecutors, enjoy a specific status. Police officials, soldiers, judges, etc. are usually not allowed to strike. In addition, specific working time arrangements and disciplinary rules apply for a number of employees.

However, most Member States face additional dilemmas when considering what types of differences between civil servants and other employees should or should not be maintained. Where is the dividing line between the civil servants and other employees? Should teachers be civil servants in Germany, France and the Netherlands as they influence the future lives of millions of children? Are French, Dutch and German teachers different to their Swedish or British colleagues who are not civil servants?

What about thousands of other private professions in the chemical industry, nuclear power stations, drinking water agencies, and international organisations that also exercise public power, protect society and/or provide important services to citizens? Why should these employees not be civil servants? Or, to put it another way, are Swedish public employees more corrupt, less neutral and less impartial since they work under privatised conditions? Evidence show that this is not the case.

In addition to the difficulties in deciding who should be civil servants and who not, there is another paradox: although most Member States do not want to totally privatise the public service, working conditions are aligned with the private sector. However, this process of alignment is not a one-way street: in some cases, working conditions in the private sector are also aligned to the public sector.

The changing role of the state with respect to what is termed “governance structures” requires a changing conception of the civil servant. This study shows that there is no need for a broad category of civil servants. What is more important is to offer satisfactory working conditions, career development possibilities, stability,

responsibility and – most importantly – good leadership. Or, in short: professional HRM!

In the future, the issue of alignment must be combined with a serious discussion about HRM policies. This study shows that there are a number of good reasons for normalising the status and working practices in the formerly bureaucratic civil services. However, normalising should not mean a deterioration of working conditions. There is increasing evidence that working conditions will re-appear as the most important agenda point within the next few years. Requirements for working longer, quicker and more efficiently, in addition to attaining objectives more easily, being more mobile, flexible and taking more responsibility, etc. cannot be continued endlessly. How will the civil servant of the 21st century deal with these challenges? What we need is a real HRM policy that addresses the weaknesses of the structures and the processes within the field, and not the performance of the people, poor or otherwise. They are doing fine!

13. Annexes- questionnaire: Are Civil Servants Different Because They Are Civil Servants?

Study for the Luxembourg Presidency of the European Union - 2005

1. The link between specific public service structures and attitudes of civil servants

A widespread popular assumption is that organisational structures cause changes and influence personality. This means that a specific organisational structure in the public service, e.g. a classical career system or a bureaucratic structure, will also affect a civil servant's personality.

However, another theory suggests that specific personalities seek particular organisational structures. For example, Mayntz and Luhmann (1973) demonstrated that people for whom "security" is very important are the most interested in a career in the civil service.

The classical argument for maintaining differences between the public and private sector and between private and public employees (incl. a specific legal status for civil servants) was always the need for stability, commitment, neutrality, competence and continuity. Traditionally, clear career paths, life-time tenure, seniority instead of merit, advantageous pension systems and limited flexibility and mobility were introduced to reduce as much as possible the danger of too much political influence, corruption, misconduct, private interests and instability of government. Historically, one of the benefits of a classical career system was that, by protecting civil servants from arbitrary or politically based actions, they would be loyal and not act out of a particular interest or on behalf of a political party. Civil servants would even resist the temptation of short-term personal gain (e.g. in the form of an offer of a higher paid job) because they would know that their government jobs were secure. In addition, the career ladder and a uniform pay system would guarantee equity, transparency and security and prevent jealousy and individualisation. The civil service was also supposed to protect existing public staff from political shifts and to ensure that staff-related matters such as promotions, pay rises and layoffs were based on individual skills and abilities and not on "favouritism. The main argument for the principle of seniority is that it allows the public employer to rely on institutional knowledge and continuity in staff. The main argument in favour of life-time tenure is that this compensates for the generally higher private sector salaries and, even more, enhances job protection for those employees with a regulatory or enforcement function and with jobs needing protection against individual and political pressure. If there is no strong job protection, environmental regulators, for example, might be loath to enforce regulations when a large company is involved that has close ties with a particular legislator or governor. With the protection that comes with seniority, the same official can be more confident that enforcement will not result in adverse career consequences. These are still the main arguments for maintaining differences between civil servants and private employees.

2. Reforming public services – changing minds?

Today, almost all of these traditional arguments in favour of a specific organisational structure and specific status elements are challenged. What will happen if some of the specific elements of the civil service status are abolished and civil servants are employed for a specific position instead of a career, recruited without standardised and formalised recruitment procedures, take no oath, could be fired for poor performance, are given time-limited contracts and are governed by the same social security provisions as everyone else? Or to put the question differently: would it be possible to “export” the Swedish model to Germany, France, Greece, Luxembourg or Spain?

Supporters and opponents of the elimination of the differences generally make certain predictions about what would be the beneficial or negative effects on performance and stability in public sector employment. Critics argue, for example, that total privatisation would lead to a decline in organisational loyalty. In addition, such a trend would increase mobility between the public and private sector and lead to less continuity and stability.

Others argue that the possibility to dismiss employees and the individualisation of pay would lead to higher performance levels of staff as privatised employees would believe they are subject to sharper discipline. Alternatively, critics suggest that the introduction of performance-related pay, the decentralisation of personnel management and the possibility of firing employees would have the opposite effects: more frustration, the feeling of being treated incorrectly, a lack of coherence and loyalty and less motivation to work.

Proponents of radical civil service reform will argue that there is no denying that the civil service faces tremendous challenges and needs serious reform. Therefore, reform will free civil servants and managers from bureaucratic restraints, increase their authority and flexibility, improve individual and organisational performance and give employees more control and responsibility over their work.

In order to find answers to these questions, it would be necessary to analyse the situation in a country/region where privatisation programmes have been introduced and study the attitudes of employees who are covered by civil service regulations and those who are not, mainly with respect to organisational commitment and loyalty.

3. Image and impact on motivation, morale and performance

So far, one aspect of public service reform is indisputable:

Despite all the reforms of the past few years, the image of the public service remains quite negative. With some exceptions, young people do not rate public employment highly. The public sector is deemed dull, bureaucratic and old-fashioned, and in many countries its prestige is low. Citizens’ trust in government has decreased, negatively influencing the image of government.

For example, in France, the image of the “*fonctionnaire*” has not changed much in the last few years. According to the *Conseil d’Etat*, “the image of the *fonctionnaire* is still influenced by a stereotype: the official for whom time does not count, busier with incomprehensible procedures than with results to be achieved, entrenched in his little corner of power and therefore far removed from the constraints of responsiveness that

weigh on the private enterprise market”³⁰⁸. The civil servant is still seen as a protected person, set apart from the outside world³⁰⁹.

Interestingly, public perceptions about the public service do not make any distinctions between different types and levels of administration. The image applies to the whole bureaucracy in any country and all government levels and positions. This is all the more surprising since the existing civil service systems are very different and employment within the public sector is greatly varied, ranging from employment in the armed forces and in government, to employment in education and the social sector. Also, the teaching profession may be perceived differently by the public than that of a police officer, inspector or senior civil servant. The work content is wide ranging, encompassing for example policy formulation, policy implementation, technical work, inspection, health care or tax matters. As such, in some countries, civil servants remain an elite appreciated by society. It would therefore be wise to accept that the civil service is very heterogeneous and comprises many different types of staff.

An interesting question is whether these negative images provoke public and political sentiments against the public sector and civil servants that – consequently – have effects on the **morale**, **performance** and **efficiency** of employees. In the United States, a study by Light on the troubled state of the US public service revealed that “Americans continue to have doubts about the motivation and performance of federal employees. Americans remain convinced that most federal employees are motivated primarily by the job security (...), salary and benefits (...) It is no surprise that employee satisfaction declined by 6 percentage points over the year.”³¹⁰ It would also be interesting to monitor the relationship between public perception and motivation and satisfaction of employees in the public sector at EU level. So far, no studies have been published on the subject.

4. Are civil servants different from private employees in terms of morale, performance, work satisfaction, overwork and ethical behaviour

The study by Paul Light on the US federal public service reveals that a majority of respondents believe that they are given the chance to do the things they do best. Surprisingly, most respondents also say that the people with whom they work “are open to new ideas, willing to help other employees learn new skills...”.

Another interesting result of the survey by Light is that public employees are highly qualified people (and generally better qualified than similar employees in the private sector). Public officials are also less “security conscious in their daily work than private employees” (this is also an interesting result). Finally, public employees are more motivated to work than their “private colleagues”. “Private sector workers are less happy with their work, salary and benefits than their federal counterparts, and they do not think they have as much opportunity to accomplish something worthwhile”³¹¹. This result is also surprising since the pay gap between the public

³⁰⁸ Conseil d’Etat, 2003, p. 243.

³⁰⁹ “Il lui est reproché de s’être instituée en monde protégée” (Conseil d’Etat, op. cit, p. 243).

³¹⁰ Paul C. Light, *The Troubled State of the Federal Public Service*, Brookings Institution, Washington D.C., 2002, p.7.

³¹¹ Paul C. Light, *To restore and renew*, in: *Government Executive*, November 2001, p.6.

sector and the private sector is constantly widening. If one would take these findings and apply them to the question: what would happen if public officials were “privatised”?, a possible answer could be “less motivated and less happy people”.

Another study by Brewer in the United States also supported the view that public servants are not machines but are even more active in civic affairs than other citizens, and that they act as catalysts for the building of social capital in our societies³¹². Further research is needed on the question of how administrative reform, alignment trends and privatisation tendencies might have a negative **impact on democratic citizenship, civic culture and the broadly conceived public interest**³¹³.

Despite all these findings, we can conclude that there is still too little evidence on the relationship between bureaucratic structure and personality. What is clear, though, is that working conditions and organisational structure have an impact on work behaviour. Any reform in the field of human resource management must therefore face the question: **to what degree do attitudes of public officials change as a result of the further alignment of their working conditions with those in the private sector?**

However, most empirical studies reveal that public employees are **highly qualified, and satisfied, perform well and are open-minded**. In addition, they were attracted to work in the public service because they wanted a **job with a purpose**. Finally, public officials are more engaged in politics and other civil affairs than the average employee.

Another question is to what extent civil servants perform badly and why? Experts have so far offered a number of explanations, such as: too many rules, too little delegation and decentralisation, too much political influence, too little motivation, structures that are too centralised, and procedures that are too slow. Another widely believed explanation is that for public employees there is too much protection against being laid off, too little incentive to perform, too little pressure and too many privileges. With their structures, or so it is claimed, public employees do not have to work hard and well. In this scenario, the public sector suffers from too many poor performers. Surprisingly, these images encounter serious difficulties in proving that they exist and in measuring them.

For example, Parre (2002) compared the work experience of managers in the private and in the public sector. He found that public managers experience a better work atmosphere (82.3% vs. 76.2%) but slightly worse working conditions (31.2% vs. 43%) than private managers. Not surprisingly, public managers enjoy less autonomy than their colleagues in the private sector (65.6% vs. 73.2%). The work pressure for both private and public managers is very high. Only 2.6% of public managers and 3.4% of private managers believe their work pressure is normal³¹⁴.

Despite the introduction of performance management systems in the sixties, there is very little evidence so far as to whether performance management techniques have improved the **performance of employees**. However, this does not mean that measuring performance does not make sense at all. Much more than this, it has to be

³¹² Brewer, G.A., Building Social Capital: Civic Attitudes and Behavior of Public Servants, in: Journal of Public Administration Research and Theory, Vol. 13, no.1, pp.5-26.

³¹³ Brewer, op. cit., p.20.

³¹⁴ Peter van der Parre, Arbeidsmonitor Rijksdienst, Dutch Ministry of the Interior, The Hague 2002.

acknowledged that measuring and managing performance is a highly complex process that is still in need of improvement.

For example, especially in the public sector it should be acknowledged that “politics matter” strongly and should be taken into consideration when measuring performance. Another important problem for the introduction of performance management systems is that it is very difficult to compare the performance of public employees with that of staff in the private sector. Are positions comparable, is education comparable, are tasks and responsibilities comparable? Are overwork, efficient time management, quality in reaching objectives and the number of poor performers useful indicators for measuring and comparing performance between the two sectors?

Today, it seems to be very difficult to prove that people in the public service perform less well than those working in the private sector. In addition, one should also ask where poor performance comes from. Because people are “bureaucrats”? Or because they are badly trained, receive too little recognition, are not in the right jobs etc.? Finally, instead of concentrating on poor performance, it would be better to focus on the deterioration of working conditions in some areas. For example, where performance is poor, is account taken of managers suffering from overwork and stress-related problems?

Today, there is no study that proves that private employees perform better than their counterparts in the public sector. However, some studies do reveal that public sector employees do not perform less well than their private counterparts. In fact, public employees generally perform well. The most recent empirical survey in this respect is the one from Aberbach and Rockman entitled “In the Web of Politics. Three Decades of the US Federal Executive” (2003). The authors conclude that the problems of government are not attributable to the (poor) performance of bureaucrats and the bureaucracy, but originate from outside the administration (mainly in the political system and the allocation of resources)³¹⁵. As regards the number of poor performers, the study by Light reveals that “surprisingly, federal and private sector employees estimate almost identical numbers of poor performers in their midst - roughly 25 percent”³¹⁶. Finally, an international comparison, “Is There Still a Public Service Ethos” by Norris concludes that there is little difference between sectors in people’s answers to questions about how hard they work. “A comparison across all these dimensions suggests more congruence than divergence between public and private sector employees”³¹⁷.

³¹⁵ Joel Aberbach/Bert Rockmann, *In the Web of Politics*, Brookings Institution, 2000, p. 176.

³¹⁶ Paul Light, *To restore and renew*, in: *Government Executive*, November 2001, p. 7.

³¹⁷ Norris Pippa, *Is there still a Public Service Ethos?*, in: John Donahue/Joseph Nye, *For the People*, Brookings Institution, 2003, p.87.

QUESTIONNAIRE: ARE CIVIL SERVANTS DIFFERENT BECAUSE THEY ARE CIVIL SERVANTS?

General questions: Do you agree or disagree?

1. Total privatisation of the civil service would lead to a decline in organisational loyalty, more ethical problems and more politicisation. In addition, it would increase mobility between the public and private sector and lead to less continuity and stability in the public service.

- Agree
- Disagree
- Other (comments)

2. The main argument in favour of life-time tenure is that it compensates for the generally higher private sector salaries and, even more, enhances job protection for those employees with a regulatory or enforcement function and with jobs needing protection against individual and political pressure.

- Agree
- Disagree
- Other (comments)

3. The possibility of firing staff for poor performance may lead to higher performance levels, since staff would believe they are subject to sharper discipline.

- Agree
- Disagree
- Other (comments)

4. The individualisation of pay and the introduction of high, performance-related pay bonuses have mostly negative effects: employees feeling that they are treated incorrectly or unfairly because of problems in measuring performance, less loyalty of employees and less motivation to work among those who do not receive a bonus.

- Agree
- Disagree
- Other (comments)

- 1. Have any studies been conducted in your country about the attitudes and behaviour of civil servants as compared with private employees? (please attach results, reports or studies if available)**

2. **If so, what were the most important results in terms of:**
 - individual performance
 - job satisfaction
 - working time
 - career development possibilities
 - salary
 - job responsibility and job autonomy
 - number of poor performers
 - unethical behaviour
 - other (overwork, sickness rates)?

3. **Have there been recent human resource management reforms and if so, what has been their impact on the work (performance) and attitudes of civil servants?**
 - Have they improved organisational performance?
 - Have they improved individual performance
 - Have they reduced the number of poor performers?
 - Have they improved work satisfaction?
 - Have they had an impact on knowledge, skills and educational profiles?

4. **In your experience, do persons applying for jobs in the public service have a different profile than those applying for positions in the private sector?**
 - Are they more flexible and open-minded?
 - Are they more security minded, more inflexible and risk-avoiding?
 - Are they more idealistic?
 - Are they more motivated by extrinsic incentives?
 - No difference between the public and private sector

Practical information:

Your answers, in English, French or German, should be returned by electronic mail by 28 February 2005 at the latest to:

- the European Institute of Public Administration (EIPA), for the attention of the person in charge of the study, Dr Christoph Demmke, Associate Professor (c.demmke@eipa-nl.com), tel.: 0031 43 3296225 or 0031 3296 320
- the Luxembourg Ministry of the Public Service, for the attention of Jacqueline Betzen (Jacqueline.Betzen@mfp.etat.lu).

Distribution of results:

A summary report will be distributed to all delegations before the DGs meeting in Luxembourg and – possibly – put on the EIPA and/or Circa web site.