Serving the Citizen
- Toward a strategy for putting the citizen at the heart of public services in Azerbaijan

CONTENTS

13 August 2007

1. Purpose of the paper

This paper has been drafted for various reasons –
- The anti-corruption strategy approved on 1 August 2007 invites the CSC to draft a state programme on reforms to the public services
- Azerbaijan's draft millennium goals now include a commitment to good governance which sets out a vision for the civil service – which requires further development.
- The CSC Charter gives it a responsibility to "prepare programmes for the improvement of the civil service"[1]

1.1 The draft vision

A new long-term vision for the Azeri civil service has been drawn up in official discussions relating to the country's millennium goals – designed to ensure the country's sustainable development and to help lift people out of poverty. In global thinking in the early-mid 1990s about the role of the state, some influential documents argued that the best state strategy to ensure economic success was for state bodies to "get out of the way" and let market forces produce results. The last decade has seen a more mature and rounded approach in global thinking – with a recognition that the state has a powerful role to play in economic development - although not in direct economic involvement. Its role is rather to ensure that the rule of law exists – and that citizens and businesses are assisted to achieve their various endeavours.

Not only is government getting out of the business of business – but governments throughout the world have also been decentralizing functions and setting up a variety of competitive and other pressures to ensure that state bodies were –
- thinking critically about how their financial and staff resources could better meet their objectives
- measuring their progress
- operating in more transparent mode
- involving the citizens in setting goals and measuring progress

All of this has placed massive new demands on civil servants. Not only for new knowledge but for new skills – not least those of managing change.

The vision in the draft MNG is for a future Azeri civil service which:
- *Is valued by ministers, and recognized as a source of expertise and objective policy advice by external bodies;*
- *delivers customer-focused services;*
- *is eager to learn from the best examples of change, and having the confidence and skills to apply what they learn;*
- *attracts the best talents from every area of society.*

Considering these highly desirable features leads us to pose **three questions** -
- *does the process here in Azerbaijan of developing policies produce results – ie help solve the problems they were designed for? And how active a role do civil servants play in that?*
- *Does the structure and management of the public administration system allow citizen concerns to be met effectively?*
- *How can the system of managing staff in state bodies ensure that talented people join and stay?*

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[1] Section 10.1 of the June 2005 Charter

These are complex questions – to which there are no easy answers. This paper is written in the conviction that a wider public discussion of such questions will help create an environment which encourages and rewards innovation for the public benefit.

2. The logic and structure of the paper

2.1 What's in a strategy?
A strategy is a public statement about the goals and programmes of an organization or system which has been developed from –
- a vision of what that system could and must be
- a careful analysis of the system's strengths and weaknesses
- a rigorous assessment of the opportunities and threats presented by the wider environment in which the organization or system operates
- a careful attention to "stakeholders" – in order to generate their commitment and minimize resistance
- recognition of the realities of limited resources of staff and money
- the need therefore to select a limited number of actions which will lever change/establish momentum
- a selection of mechanisms which are (a) demonstrably feasible and (b) with a high chance of being able to deal with the features identified in the SWOT analysis.

2.2 The focus of the paper
The CSC is committed to transparency – and recognises that it needs the understanding and support of Ministers, civil servants and citizens in order to achieve the goals it has been given by the President.
This draft is therefore published in that spirit of – and commitment to – consultation and transparency. It has been produced by the CSC assisted by a few of its external advisers – including a UNDP international expert with 30 years' experience of changing bureaucratic systems. It is only a draft – concerned to raise such questions as -
- How satisfied are citizens with the way they are treated by state bodies?
- Why do we know so little about this?
- How can we develop a greater spirit of citizen-orientation in the system of public administration?
- How have some state bodies been able to make progress in this?
- What can we learn from their experiences?
- And from global experience in making services more effective?
- Where are the "drivers for change"
- What sort of resistance can be expected?

2.3 The audience
In this specific context at least three different audiences can be seen –
- **Senior policy-makers** – who need to be persuaded both of the need for change and that specific options are actually feasible
- **The general Public** – whose active support is needed but who have every reason to be sceptical of the possibilities for change
- **New recruits** (potential and actual) - who need to feel they are joining a system which will offer a challenge.

It is, of course, difficult for one document to speak effectively to such different audiences – but transparency requires us to try!

2.4 The structure

The document presents various ideas and examples which seem relevant to the vision – and to the issues identified in the latest Anti-Corruption strategy. Realising the vision of the millennium goal is an immensely challenging task which will not be achieved simply by legislation and commands. It is a "hearts and souls" fight which will require champions of change at all levels and therefore needs the understanding and commitment of both civil servants and the wider public. Azerbaijan lacks a literature of its own about performance improvement in the public sector – and this paper therefore must, by default, make references to the wider literature and experience which is available.

3. The present situation

3.1 Laying the basis for a modern system

Azerbaijan has, in recent years, been laying the basis for a modern, effective system of public administration through various initiatives eg-

- A concept paper showing the scale of administrative reform needed – which was drafted by the Presidential Office in 1999[2]
- a State Agency on Procurement – which has the challenging task of making public procurement free of corruption
- The **State Student Entrance Commission** – which has made the entrance process to Universities more fair and acceptable.
- a **Civil Service Law** in 2002 – which set out the requirements for a professional civil service with, for example, merit-based recruitment and promotion systems
- a **Civil Service Commission** – which started its operations in winter 2006 and which was able to make the first wave of merit-based appointments (c 40 from 500 candidates) in summer 2007.
- an **anti-corruption strategy** – being handled by the Commission on Combating Corruption under the aegis of the Management Council for the Civil Service. A new draft strategy was approved on 31 July 2007 – which envisages various significant steps, for example, on transparency
- **budgetary reform**
- Some preliminary actions taken in pursuit of an **E-Government agenda**[3]. This is seen in the IT strategy developed by the Ministry of Communications and has involved particularly such state bodies as the Ministries of Taxation, Communications and MFA and the Customs Agency
- The 2005 Law on **Access to Information** – which lays important obligations on state bodies about transparency[4]

3.2 Impact of the changes

All this has involved a lot of behind-the-scenes work on technical areas such as financial and computer systems, development of new recruitment and procurement procedures, training. Few of the public necessarily see an immediate difference in the services and how they are treated. And state bodies differ in what they do; and in their technologies. Some systems are easy to change – others, perhaps larger, more difficult. And, of course, there are always issues of leadership – those keen and willing to pioneer better ways of doing things and share the lessons of innovation.

The time it takes to change from a centralised system to one which is citizen-oriented is demonstrated by the experience elsewhere. Many countries in Western Europe ran inflexible,

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[2] The paper is summarised and assessed in chapter 5 of The Search for a civil service model for Azerbaijan by R. Shabanov and R Young (EU Tacis 2004)

[3] summarized and assessed in 2005 UNDP report on E-Government in Azerbaijan.

[4] Article 29, for example, gives 32 ways in which the websites which state bodies are required to set up can be measured

centralised systems of PA 20 years ago and have been working ever since then to create more open and responsive systems which meet (changing) public needs[5].

So much is happening in today's Azerbaijan; the pace of change is so rapid that a natural feeling of busy senior men and women is "We're making progress – we're doing what we can – why do we need a strategy?". And accompanying such a feeling is also perhaps some defensiveness about talking openly about problems.

But there is no need for defensiveness – since virtually all countries throughout the world have had to face the fact in recent years that their systems of public administration were out of date and needed to change. Global forums supported by the UN and OECD[6] have developed in the last decade – at which countries eagerly exchange their experience. And various networks of mutual help have been set up[7] to make this a continuing process of improvement to help policy-makers meet the increasingly complex needs and problems which government faces. "Good governance", indeed, is now the subject of measurement, with league tables in annual reports[8] which act as a "benchmark" of a country's progress on such features as rule of law; regulatory quality; control of corruption; government effectiveness; political stability; and accountability. The latest report indicates that Azerbaijan has improved its performance on regulatory quality and government effectiveness. Such reports and measurements , of course, do not rest on an exact science – but on surveys which reflect impressions. And comparisons between countries are always difficult. But the reports should not be ignored – rather viewed as a stimulus.

And, of course, those countries which emerged onto the global stage just over a decade ago have faced the daunting and unique task of dismantling a system in which –
- decision-making was very centralised
- Problems were attributed to (and blamed on) individuals – rather than poor policies or systems
- little support was given to the development of management skills – or initiative
- appointments were generally made on patronage grounds

Having a strategy for the reform of public administration gives us all an opportunity to understand what is going on – to measure progress against clear principles and objectives. It is an important step in treating our citizens as partners.

3.3 How do we know how we're doing?
We said in para 1 that the MNG vision for the Azeri civil service posed **three questions**
- *does the process here in Azerbaijan of developing policies produce results – ie help solve the problems they were designed for? And how active a role do civil servants play in that?*
- *Does the structure and management of the public administration system allow citizen concerns to be met effectively?*
- *How can the system of managing staff in state bodies ensure that talented people join and stay?*

What can be said about the state of such systems in 2007 – whether in absolute or relative terms? How indeed does one even measure how they are performing – and changing over time? The only immediate term of comparison is international – how does the operation of the system compare with

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[5] for a brief overview see "Government innovation around the world" by E. Kamarck (JFK school of government Harvard University Feb 2004 – available on internet)
[6] eg Vienna 2007; and the work of the Public Governance Committee, OECD
[7] eg Network of Institutes of Schools of Public Administration in Central and Eastern Europe (NISPAcee)
[8] Governance Matter VI; Aggregate and individual governance indicators (The World Bank 2006 wps8020)

international practice? But this is not uniform – so which countries do we want to compare ourselves with? Presumably those with some similarities[9] eg

- Presidential and unitary systems of government
- With a tradition of strong centralisation
- Countries with populations less than 20 million
- With GNP similar to ours

Portugal, for example, emerged in the mid 1970s from autocratic rule and, after various unsuccessful attempts to bring its state system out of its lethargy, moved in the late 1980s to make the citizen the centre of its administrative reform policy. We shall look at that experience in section 8. And, since 2002, Russia has been attempting relevant reforms which we look at in section 4.4. The next part of this paper explores the three questions posed at the start of this section.

3.3.1. Policy-making capacity

In most countries Ministers are able to turn to experienced senior civil servants to draw up workable plans to design and implement government priorities. This requires a career system in the senior level of the civil service – of people appointed on a non-political basis who do not disappear when a Minister resigns but are available to ensure "institutional memory" and policy coordination. This issue is further developed in section 11 of this document.

Azerbaijan has a tradition of policy priorities being developed within the Presidential Office and little need is seen for a policy-making capacity in state bodies. This is a strong contrast with Ministerial structures in other countries[10].

And the need for a development of the transparency of the legislative process is recognized. At the moment, the only document published is the detailed legal draft itself which is –

- not easily available
- not easily understood by the interested citizen

In many countries, two additional steps are taken to ensure transparency -

- A short and easily understood document is initially published – before the legal drafting - explaining the need for a policy change, the options being looked at and the reasons why one preferred option is being pursued. This is then used as a basis for consultations
- A brief note accompanying the draft legislation – summarizing its key features, impact and cost.

3.3.2 the structure and management of the public administration system

For some years official documents in Azerbaijan have been registering concern about the way citizens are treated by state bodies. [11] The latest anti-corruption strategy says, very clearly

"To improve their activity government agencies should improve the work and the principles of consideration of the applications and complaints; should undertake necessary measures to provide public with the comprehensive information on their activity"[12].

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[9] The World Bank did such an exercise for the Russian Federation – selecting some 12 countries (mainly federal systems) whose experience seemed relevant for Russia. The results are in International Public Administration reform – implications for the Russian Federation – by Nick Manning et al (WB 2003). Available in Russian on WB website

[10] Serbia papers

[11] Eg the Presidential Decree on accelerating socio-economic development in Azerbaijan published on November 24 2003 – section 7

[12] Section 4

This is, actually, the starting point for a public administration reform programme. It is a statement that all is not well in the system – and that systems and behaviour should change[13]. The question is how. It is here that a strategic approach helps. This starts from the question of what exactly is an acceptable way for the public to be treated (and in as precise terms as possible – eg how many minutes of waiting is acceptable?). It then goes on to ask -
- If this is happening – ie citizen's views are sought
- The reasons for any deficiencies discovered
- what should be done?
- Does this require spending money on office layout; on staff; on training? If so how much?
- How will this be phased in?

This is the strategic approach – and is applied in sections 8.2 and 8.6 below.

Let's apply it to another everyday issue. Some years ago, an EU expert suggested in a paper[14] that one of the most visible ways of measuring good public administration is to look at street behaviour and layout. Can pedestrians cross streets safely, with minimum disturbance to other users? Does traffic flow reasonably freely? If the answers are negative, is anything being done to remedy the situation– how – and with what results? On such criteria, he suggested, central Baku presented a poor picture.

"Of course the town has narrow streets and many junctions – but much of the congestion tends to occur at a few points and has an obvious explanation – and solution. The most extreme occurs at a few junctions where drivers are so impatient that they continue to follow the car in front as the light turns to red and find themselves trapped on the intersection, blocking those cars to whom the green light been given. The solution is simple –
- Paint the intersection with yellow hatch lines
- Pass a local bye-law which allows traffic police to fine anyone caught stationary in that yellow area
- Ensure that traffic police are at these junctions at peak time
- And take appropriate action

Why is this not done?
- Three different bodies are responsible for this issue – the Ministry of Interior, Ministry of Transport and Baku City
- the Heads of these bodies are accountable to the Presidential Office – not to the Baku citizens
- there is so far no culture of active citizen complaints
- There is not yet a department for traffic planning in Baku
- Drivers choose which rules to obey – and are rarely penalised for going though zebra crossings or red lights"

So organisational reasons are a large part of the explanation of the problem –
- Overlapping functions[15]
- Difficulties in coordination
- Lack of appropriate accountability[16] to ensure that the citizen has a proper voice.
- lack of implementation of laws

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[13] the UNDP and World Bank do surveys in various countries about the experience of accessing public services – which give an immediate agenda for administrative reform. See Kazakhstan Governance and Service Delivery; a diagnostic Report (World Bank).

[14] "PAR – what is it and why does Azerbaijan need it?" (EU Tacis paper Dec 2003)

[15] Also recognized in the anti-corruption strategy

[16] In most countries, traffic management is the responsibility of the municipality

3.3.3 Staff management and motivation

Making the civil service an attractive career option for good people is a challenge everywhere in the world. So much so that the UN published a special report on this in 2004 – called "Unlocking Human Potential for Public Sector Performance"[17] which focuses on six areas of analysis –

- Role of the state in a changing world
- Current trends and challenges in HRM
- Reforming HR Management frameworks
- Leading public sector change
- Recruiting and retaining fair share of the best talent
- Developing the quality of human capital

Some of the issues being explored are very relevant for Azerbaijan (text in italics and quotation marks is taken from the UN Concept paper) –

a. Role of the state in a changing world

"As the state has moved away in the last 2 decades from direct provision of commercial and other activities to one of regulation and, in some cases, joint provision[18], civil servants have had to acquire new skills in such areas as developing regulatory frameworks; designing and managing contracts; managing conflict; coordination".

The Azeri state has also been undergoing a change in its role – but this is nowhere clearly described – nor the implications for new skills properly assessed. This requires a strategy for administrative reform – linked to a national training strategy for civil servants.

b. Loss of prestige in working for the state?

"*Many developed and developing countries are facing critical "brain drain" in the public sector. More attractive remuneration and job satisfaction in the private sector; loss of pride in the concept of public service; increased politicisation and decay in some countries of governance systems have all contributed to the lowering of prestige of employment in the public sector*" – at precisely the time the public is becoming more demanding.

How big a problem is this in Azerbaijan? If not now, in the future? How can this be overcome?

c. Getting the role of the centre clear

"*A number of countries – both developed and developing - and from different cultural and political traditions have recently undertaken significant reform of the legal framework governing employment in the public sector. The purpose has been to achieve greater efficiency, responsiveness and accountability in public service through more flexible employment frameworks*".

This has involved moving away from the idea of a career in the civil service toward the notion that jobs in the civil service are no different from those in other sectors – and, indeed, that senior appointments should be made on a limited-term (and performance-related) contract.

There is a strong view, however, that transition countries need first to build up a classic career system and ethic of public service before they attempt such flexibility[19].

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[17] The Concept Note (April 2004) is available at http://www.unpan.org/dpepa_worldpareport_hr.asp

[18] a full typology - Fully private; Private but with part-State ownership; Joint Private and Public Venture; Private regulated; Public Infrastructure : operated privately; Contracted out; Public with managed Competition; Public without competition

[19] "Why most developing countries should not try New Zealand reforms" by Alan Schick (World Bank Observer Feb 1998)

d. changing the culture
"*There is a need to transform the culture of the public service to actively promote the critical role of leadership in addressing problems and empowering staff to make decisions and be held accountable*".

Systems can and should be developed which ensure that staff are working effectively on priority issues. Ministers need at the highest level not only technical advisors but managers skilled in managing the development of staff and in making change happen.

e. Recruiting and retaining fair share of the best talent
"*To retain and develop its fair share of the best talent, public administration needs to adopt policies aimed at planning, recruitment, education, development and motivation of employees. Competitive pressures from other sectors have also increased the role of other non-monetary rewards – such as career opportunities and job satisfaction*".

In the absence of any surveys of civil servants in Azerbaijan, it is not possible to make definitive statements – but project discussions would suggest that the best students are not attracted to civil service posts; and that lack of job satisfaction is a major issue here. Managers need to understand how staff can be more creative[20] – and develop a sense of their own areas of responsibilities. Singapore is a good example of a developing country which took this approach[21]. Marketing campaigns appealing to idealism of young graduates are a good idea - but not much use if the jobs are boring!

f. Striving for Improvement
"*Each organisation should have in place a training strategy to foster a spirit of professional development, continuous learning, receptiveness to innovations and new approaches and knowledge acquisition amongst staff.*"

This will work only if those at the top demonstrate – by their own actions – their own commitment to continuous learning. How can this be done in a culture which assumes that the boss is all-knowing and all-powerful and where willingness to listen to others is taken this as a sign of weakness?

This is the context for the important statement in the 2007 Anti-corruption strategy that "To increase the prestige of the civil service and develop the civil service in accordance with the contemporary requirements a special state program will be developed."

This paper deals with these various issues in section11 below.

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[20] this has been one of the key elements in the reform of the French system of public admin in the last 20 years.
[21] For Singapore see Ten Best practices in the Singapore Civil service

4. What can we learn from global experience – the WHAT?

4.1 No man is an island

Every country – like every individual – is different. Each country has its very specific history, social structure and cultural norms. Attempts simply to transplant foreign experience are generally doomed to failure. But there is no need for countries to reinvent the wheel! They can, should and do learn from the success and failure of others. There is, after all, more than 30 years' global experience easily available about other countries' attempts to make their systems more effective. From this it is possible to identify clear patterns – and therefore practical lessons.

4.2 four waves of change

The last thirty years has seen a large variety of mechanisms introduced to improve the system of public administration. There is, therefore, a very large "toolbox" now available for reformers. The "reforms" which have been attempted by OECD countries over the past 30 years have come in waves or fashions and are listed in table 1 – in chronological order. Basically there has been a process of learning – with some "vanguard" countries[22] starting an activity, not getting much progress or impact with it and then either modifying it or moving to a different initiative. Slowly some success is generated – and others begin to follow, but with their own modifications in the light of lessons and their distinctive needs. One of the obvious questions is whether countries such as Azerbaijan are doomed to go through the same phases with all the time that involves in learning from the mistakes and changing direction – or whether corners can be cut.

Diagram 1 the waves of reform

1960s – management systems
- strengthening the "**policy analysis**" capacity of government (to get more relevant and better policies)
- opening up the civil service to new talent
- developing the **managerial skills** of the civil service -
- merging Ministries in an attempt to get better **co-ordination**
- trying to strengthen the **supervision** ("watchdog") powers of Parliament or independent audit over the Executive

1970s – Budgetary reform and decentralisation
- **budgetary reform** - concerned to ensure a focus less on inputs than on what results specific bits of public spending were supposed to be achieving ("outputs")
- creating **accountable units of activity** : with clear tasks, responsibilities and performance indices
- developing systems of **performance review** of government programmes
- creating larger units of local government (mergers) to allow **transfer of functions to local government**
- "regionalising" certain central government functions ("deconcentration")

1980s – privatizing; increasing accountability
- transferring state assets (such as electricity) to the private sector
- "contracting-out" public services after **competitive bidding** to private companies : for a limited period of time
- "hiving off" Ministry functions to A**gencies –** which focused on a narrow range of activities (eg issuing of passports) and operated with more financial and personnel freedom than state bodies
- More open recruitment
- deregulation

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[22] Such as the UK

> **1990s – focus on consumer; and drive for quality**
> - establishing "**citizen contracts**" and service standards
> - new forms of **audit and grant allocation** – to encourage good practice
> - investment in people – new training approach to ensure staff had required features for citizen-based work

4.3 An assessment

Initially the drive for change came from newly-elected politicians and their advisers – impatient with civil servants they saw living too much in the past. So the emphasis was on opening up the system to new people – and developing new skills. It was then realized that the new civil servants with their new approaches were still working in old centralized systems which crushed their initiatives – so the attention turned in the 1970s to budget reform, new management systems and decentralisation.

The strengthening of local government was a path most European countries followed in the **decade from 1975** – driven by a growing public dissatisfaction with bureaucracy. This produced real results. It has released new energy – and removed both a financial and administrative burden from many central systems[23].

The 1980s, however, saw political impatience with the pace of change. Four new approaches were introduced in many countries –
- An important range of state activities were seen as better handled by the private sector – and duly privatized. These included housing, electricity, gas and water; and parts of transport and postal systems[24]. And commercial systems such as transport were de-regulated.

And where the nature of the services made it impossible to privatize, they -
- Were managed on fixed-term contracts by private companies who won these contracts on competitive procurement; or
- Were managed by Agencies – which were state bodies given a large degree of commercial freedom
- had "quasi-market" regimes introduced which required clear statements of service outputs; or

It's important to emphasise that the source of change here was external – from newly-elected politicians like Margaret Thatcher who thought in a radical "out –of-the box" way. She forced through changes which were deeply unpopular within the "establishment". But she won – she broke the forces of inertia.
And the various inititatives required the development of detailed indices of performance and customer satisfaction – which have been used by public administration bodies in the latest wave of reforms.

The latest wave puts the **emphasis on the citizen – as consumer**. By the 1990s, citizen expectations of services had risen enormously. They were beginning to make invidious comparisons between the ease of obtaining services in the private sector – shops and bank for example – and the difficulties and indignities with which they were met when they encountered public services.
One of the first – and very simple – ways of dealing with this was the British Citizen Charter scheme which got underway in the early 1990s

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[23] Although the UK has gone in the opposite direction and increased its control over local government – even if the more recent types of control are more benign eg league tables and competitions for best practice awards.
[24] One of the unforeseen consequences of privatisation was a complex new regulatory system which had to be created to protect the consumer from the abuse of monopoly power.

Table 1; the drivers of change

	Driver of change		
	New political leaders	Public demand	technology
make Ministries listen to new voices – inter-Ministerial consultation and participation	X		
Open up recruitment to new groups – advertising of senior positions	X		
Ensure public organisations publish readable Annual Reports		X	
"Make civil servants manage"	X		
bring in more competition – contract out services	X		
Transfer functions to lower levels – decentralise		X	
Enforce Codes of conduct – and declarations of interest		X	
Establish citizen "Charters" – which inform the citizen of their rights		X	
Involve the citizen actively in the monitoring and management of services		X	
Develop service standards – and audit		X	X

One of the obvious questions to ask is whether it is necessary for a country like Azerbaijan to go through these phases – or can some of the stages be cut out?

4.4 The Russian Experience

In 2002, a Concept of Administrative reform for Russian Federation was published which contained 3 elements – admin reform; civil service reform and budget reform. This led, in July 2003, to a Presidential Decree. For two years the administrative reform work focused on removing duplication of functions – leading to structural changes which created considerable organizational disturbances and distracted attention from other aspects of the reform. Development of local government has also been a priority.

In October 2005, the administrative reform strategy was updated and four elements were identified for 2006-08

- Performance management
- Anti-corruption
- Improved cooperation with civil society
- management information

Table 2 is taken from a very useful (and critical) World Bank review of the experience[25]

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[25] Institutional Reform in Russia – moving from design to implementation (World Bank June 2006)

Table 2; The elements and timing of the Russian reform efforts

	2003	2004	2005	2006	2007	2008
Administrative reform						
Loosening government regulation of activity	X	X				
Removing duplication of functions	X	X				
Division of powers between Federation and Regions	X	X				
Performance management			X	X	X	X
Anticorruption			X	X	X	X
Improved cooperation with civil society			X	X	X	X
Civil Service Reform						
Legal basis	X	X	X	X	X	
Job descriptions	X	X	X	X	X	
Transparency	X	X	X	X	X	
Improved procedures for recruitment and performance assessment	X	X	X	X	X	
Staff training and professional development	X	X	X	X	X	
Mechanisms for solving conflict of interest; professional ethics	X	X	X	X	X	
Development of service management systems	X	X	X	X	X	

Source; World Bank

An interesting development in the 2005 update of the Conceptsia was the selection of benchmarks to allow the measurement of progress[26]. These are shown in the next table.

Table 3; Russian Administrative reform targets and indicators

Goal	Indicator	2004	2008	2010
Increasing the quality and accessibility of public services	Degree of public satisfaction with service quality	14	50	70
Reducing bureaucratic interference in private commercial activities	The cost of overcoming administrative barriers as a share of total business income	8.5%	5.0%	3.0%
Increasing the effectiveness of state bodies	**World Bank governance indicators[27]**			
	Government Effectiveness	48.1	55	70
	Regulatory Quality	30.5	60	70

Source; Ministry of Economic Development and Trade, Russian Federation

The country has enjoyed significant technical assistance in these reforms from particularly the World Bank and the EU Tacis programme.

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[26] Annex 1 is taken from the World bank 2006 review of the Russian experience and indicates more detailed possible ways of measuring reform activities.
[27] Governance Matter VI; Aggregate and individual governance indicators (The World Bank 2006 wps8020)

5. Getting programmes which are implemented and which work – the HOW!

We have seen in the previous section that different types of reform are driven by different forces – sometimes by political leaders; sometimes by new technology; sometimes by the public; sometimes from within – by committed and skilful public servants.

Whatever the force for change, there has to be one. Without it, initiatives are formal and mechanistic.

And the initiatives don't just happen – they have to be carefully prepared and planned – remembering always that they involve people – whether civil servants or the wider public – whose involvement and support has also to be factored in.

Many people argue that the only effective mechanism in ex-soviet countries is that of the command - whether in the form of laws or injunctions from the boss (point 5 in the table).

Other people would argue that *rational arguments* (eg in training sessions) or *leaders* make a difference – and can inspire those in the organisation to change (points 1and 2 in the table). But others put more faith in incentives and penalties – using not only monetary but psychological calculation such as pride and shame.

Before choosing an instrument, we have to look very carefully at the assumption we are making about how target group behaves. Will this instrument actually work? How likely is it to produce the behaviour we are looking for?

Table 4 tries to set out the various motives – and to illustrate appropriate mechanisms.

Table 4: motives and instruments in the change process

Motivating Factor	Example of instrument	Particular mechanism
1. Understanding	Training Campaigns Functional review websites	Rational persuasion Factual analysis Change in perspective
2. Commitment	*Appeal to national benefit* **Leadership** Communications Training	idealism inspiration Rational persuasion Pride
3. Personal Benefit	Pay increase and bonus Promotion (including political office) Good publicity Winning an award	Monetary calculation ambition obedience Reputation; *Pride*
4. Personal Cost	Named as poor performer Demotion Report cards	Psychological (Shame) Monetary Pride
5. Obligation	**Law** Command and Action plan Family ties	Courts Managerial authority Social pressure
6. Peer influence	Bribery Quality circles	Pressure Support
7. Social influence	**Opinion surveys** **Public demonstrations**	Feedback from public about service quality

An example – *How E-government can (slowly) change thinking of state bodies*

It is not immediately obvious that many members of the public would be able to take advantage of E-access to information, forms or annual reports on websites. Clearly it would be NGOs, journalists

and higher-income people who would use the facility. That should not be seen as problematic – since the initial impact (benefit) of this development is on the internal operations of the system of state administration, rather than for the wider public! Setting up **websites** with public access (no matter how limited their readership) requires the relevant state body to think systematically about those who need and use its information and services. For example the drafting of a "Frequently asked questions" feature for a website requires not only senior people to be aware of such questions – but to ensure they are answered in a clear and authoritative way. This is a good example of *technology driving a change* in how organizations think and behave.

Functional review

In section 10 below, we look at various mechanisms which are used to try to increase the effectiveness with which state bodies use resources and achieve their objectives. A classic mechanism is Functional Review[28] – which is described and assessed in that section. This is a very time- and labour-consuming exercise which often meets with great internal resistance – people understandably feel threatened. As a result there are lots of examples of abortive work – with the exercise leading only to fat reports accumulating inside cupboards. An exercise such as this can be done only –

- when the individual Ministry is committed to it – and has the power and understanding to ensure it will be carried out as intended
- when an external body (such as the Prime Minister or Presidency) as so much power as to require the exercise to be done

Here, therefore, the motivation is more that of obligation (line 5 of table 2).
This table should serve to remind us of two things – that

- Our strategy should probably not use only one motivating mechanism – but the full range
- So far little positive use is made in Azerbaijan of the mechanisms listed at lines 3,4 6 and 7

6. Some Basic Principles for administrative reform

6.1 Why principles are useful

OECD countries have been coming together for the past 15 years to learn from one another's efforts at making public administration systems serve the citizen better. At a major conference in 1999[29], their concern was the process of change – how is it possible to get a system with such string forces of inertia to change?
In 2002 the mood was more positive – and the OECD felt able to give recommendations about the mechanisms which would bring results. These were embodied in the following principles

- Open Government
- Enhancing performance
- Accountability and control
- Restructuring of state bodies
- Use of market mechanisms
- motivating staff

6.2 The principles which seem relevant for Azerbaijan

Bearing in mind the Azeri context, we would suggest that four principles should govern the next stage of the reform effort -

- Transparency

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[28] See Rebuilding state structures – the trials and tribulations of post-communist countries (UNDP paper 2001)
[29] papers available on website

- focus on Citizen satisfaction
- Accountability for results
- Motivated and professional staff

6.2.1 **Transparency**

This principle chooses itself – since the latest Anti-corruption strategy speaks so eloquently about it-

"Once transparency is provided, the public gets well informed about the decisions government agencies take and this enables public to exercise more efficient control over the government agencies. Transparency also sets basis for public discussions, strengthens public trust into government agencies and increases their accountability and responsibility even more. Transparency serves the purpose of improving the activity of the government agencies, eradication of the abuse of power, provides for more efficient analysis and assessment of the activity of government agencies.

Transparency is also among the preconditions of economic development and foreign investment attraction. Transparency is a major provision for foreign investors' decisionmaking process.

All government agencies, based upon the transparency requirements should conduct measures on combating corruption recalling the following principles:

i) Rule of law and respect to human and citizen's rights and freedoms
Measures in the area of combating corruption and tasks and authorities of government agencies in this regard are performed based upon principles of rule of law, respect to human and citizens' rights and freedoms. Institutions combating corruption are conducting their activity in accordance with the normative-legal acts and legal principles.

ii) Provision of access to and clarity of information
Government agencies, with the exception of information protected by the legislation, should provide to public clear and comprehensive information on their activities. Government agencies conduct certain measures based upon their own initiatives or requests from the individuals, media of civil society institutes. Government agencies should create efficient stimulation to strengthen individuals' access to information capabilities. In case of any misunderstanding or uncertainty in any sphere government
agencies should take immediate actions to resolve such cases. The provided information should be comprehensive, regular, written and understandable.

iii) Provision of Accountability
Accountability means making government agencies and officials responsible. Government agencies should provide periodic financial records and reports on their financial activity and undertaken measures.

vi) Good governance
In accordance with fairly and efficiently defined goals government agencies should conduct activity, take clear and efficient measures and should possess capabilities and rapidity to perform their tasks."

Use of the freedom of information by persons is one of the major factors in the provision of transparency in government agencies activity. For this purpose, measures are undertaken to provide for accessible ways of getting information on government agencies activity, adopted decisions, changes to the legislation and information on tariffs and fees.

From 2007 Anti-corruption strategy

6.2.2 focus on **Citizen satisfaction**

Transparency comes first because - without freer flow of information about the services and performance of state bodies – other objectives cannot be achieved. It is, however, a means to the ultimate end – which is the satisfaction of citizens. That is the purpose of government. And needs to be stated very clearly and loudly. There have been times and places where that has been forgotten – and it has seemed from the behaviour of some state bodies that their interests were more important than those of citizens!

But we need more than rhetoric to ensure that the activities of state bodies produce relevant and good services for the public. Section 8 looks at how we might achieve this.

6.2.3 **Accountability for results**

Transparency is the presenting of information about the activities of state bodies and of those taking the decisions in them. Accountability goes 2 steps further – first in the activities being properly analysed – for example in audit. And, second, in those responsible for any mistakes being "held to account" – ie being required to give public explanations and, if necessary, being subject to punitive measures.

One of the basic principles of good public administration is "accountability" – the notion that State bodies – and those who lead them – accept they are acting as "stewards" of public resources and responsibilities and therefore explain their actions.

6.2.4 **Motivated and professional staff**

The anti-corruption strategy of July 2007 recognised the need for major changes in the operation of the civil service – and application of the 3 previous principles will set a major challenge for civil servants.

> "Hiring specialized and professional employees is necessary to setting the work of the government agencies in accordance with the contemporary requirements and increasing transparency. It is necessary to improve the civil service hiring regulations and conduct of civil service hiring **based on competition in all areas**.
> At the same time, there should be measures undertaken to **increase the prestige of the civil service**, conduct of **motivation programs**, as well as involvement of the experts who gained their **experience in the private sector** should be provided.
> To increase the transparency of the civil service goals and principles, **evaluation system of the civil servants' activity should be developed**, as well as areas where rotation of the civil servants is conducted should be clearly identified.
> To improve material, social, and financial guarantees **stage-by-stage increase of the salaries** and other measures are being undertaken"

From 2007 Anti-corruption strategy

Section 11 looks at how we might proceed.

7. Transparency

7.1 what is it?

Transparency is about making the activities of state bodies less secretive – indeed the best image is that of putting what they do in the spotlights. If people don't know a service, contract or position is available – or who can get it – or where to find it, then the service might as well not exist!

And if they are refused a service or fail to win a contract or position, they should know the grounds. Good procurement, for example, normally has the tender envelopes opened in public and the price of the various bids openly announced.

Such transparency gives the public more trust in the decision-making of state bodies – and makes it more difficult for breach of agreed procedures to take place.

We want in this section to look at –
- Issues about making information accessible to the public
- procurement
- Websites
- Annual reports

7.2 Making information accessible

Making it understandable - and relevant to the citizen

Organisations tend to have their own jargon; even if they want to communicate with the public they are not therefore very good at it. So application forms are not easy to understand – and initial attempts at consultation can often be exercises in mutual incomprehension.

More than 20 years ago, some people tried to deal with this in Britain by setting up a "Plain English" campaign. This has been very effective in helping to remove mystifying technical language from documents of both the private and public sector. The organisation (an NGO) publishes guidelines; trains staff - and gives annual awards - both for good practice and bad practice ("wooden spoons"). In this example, we see the mechanisms of training, good practice, reward and ridicule at work.

Making it available

There is not much point in developing coherent statistics and attractive publications if they are then difficult to obtain. There need to be clear codes governing the distribution of key material - eg websites; leaflets for the public in post offices; key documents to be placed in all libraries etc

7.3 Transparency in Public Procurement

Transparency in public procurement provides for more efficient allocation of public resources and supports fair competition, thereby contributing to economic development and reduced rent-seeking and corrupt practices. The OECD has emphasized the importance of a transparent procurement process at each stage, from selecting bidders to tendering to contract award.[30]

A recognized source of international best practice for public procurement is the UNCITRAL Model Law on Procurement of Goods, Construction and Services.[31] It is designed for countries introducing procurement laws or reforming existing procurement systems, with a view to achieving economy and efficiency in public procurement and reducing corruption. The model law also seeks to promote international competition in public procurement markets. Sample provisions are set out in table 5 below.

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[30] Public Procurement. SIGMA Policy Brief No. 3.

[31] http://www.uncitral.org/english/texts/procurem/ml-procure.htm

Table 5: Ensuring Transparency in Procurement Process: UNCITRAL Model Law Provisions

Process Stage	Mechanisms to Secure Transparency and Accountability (with reference to appropriate Model Law articles)
General provisions	*Public Accessibility of legal texts*, including procurement regulations, all administrative rulings, and directives of general application in connection with procurement (Art. 5)
	Procedures for making records of procurement proceedings available after the tendering procedure to any person and certain documents available to suppliers or contractors that submitted a tender or applied for pre-qualification are defined (Art. 11)
	Form of communications between the procuring entity and suppliers and contractors (Art. 9)
	Language of documents for solicitation of tenders, proposals, offers or quotations;
Solicitation of tenders	*Publication of invitation to tender or to pre-qualification* in: (i) state gazette or other official publication; and (ii) in a newspaper of wide international circulation or in a relevant trade publication or technical or professional journal of wide international circulation (Art. 24)
	Requirements to the notice of solicitation of proposals (Art. 37, para. 1, 2)
	Minimum information to be included in the request for proposals (Art. 38)
Pre-qualification proceedings	Procuring entity shall provide a set of prequalification documents to each supplier or contractor that requests them in accordance with the invitation to pre-qualify (Art.7, para 2-3)
	Notification to each supplier or contractor submitting an application to pre-qualify and public availability of the names of all suppliers or contractors that have been prequalified (Art.7 para 6)
Evaluation and comparison of tenders	Attendance of contractors or suppliers that submitted bids, or their representatives the procedure of bids opening (Art. 33)
	Only criteria set forth in solicitation documents are used for evaluation and comparison of tenders (Art. 34, para 4a; Art. 39, para 1)
Post-evaluation procedures	*Public notice of procurement contract awards* (Art. 14)
	Right to review - any supplier or contractor that claims to have suffered, or that may suffer, loss or injury due to a breach of a duty imposed on the procuring entity by this Law may seek review (Art. 53 – 57)

Source; UNCITRAL

The legal regime must be reinforced by effective management systems, which clarify procurement responsibilities at each job level to ensure that decisions comply with laws and regulations. These control systems should be externally audited by the national supreme audit institution. Sufficient training and skills upgrading of procurement officials should be prioritized.

All of this is, of course, the responsibility of the State Procurement Agency here in Azerbaijan – and a major training programme for its staff is currently being set up.

A recent publication[32] has identified a range of initiatives throughout the world which actually involve citizens in transparency work on budgets and procurement.

7.3 proper development of state websites

The government clearly signaled its commitment to E-government in the national IT strategy published in ?? A UNDP report reviewed the state of play in 2005[33] - and the World Bank is now lending (??) $30m for an extension of infrastructure for this purpose.

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[32] Beyond public scrutiny – stock-taking of social accountability in OECD countries (World Bank Institute 2007)

[33] E-Government in Azerbaijan

The Information Act of ?? not only requires all state bodies to have websites – but clearly lists the features these websites should have. And section 4 of the new strategy for anti-corruption clearly recommends that -

To increase transparency and efficiency all government agencies, municipalities should finalize the work on development of web-sites reflecting comprehensively information on their activity, and they should arrange electronic processing of the applications and complaints.

Annual award scheme
We would recommend that the state has an annual award scheme for state websites – which would -
- offer a regular occasion to stress the importance of websites being properly developed
- give an incentive to state bodies to strive for improvements
- offer guidance on key features

7.4 Annual reports

What are they?
When a state body is required to produce **an annual report** (particularly in relation to specific goals and targets it has been set), this begins to create pressures from within for both performance and accountability which are currently missing.

What is present practice?
TASK 6 - CSC STAFF TO ANALYSE WHAT REQUIREMENTS ARE FOR WRITTEN AND VERBAL ANNUAL REPORTS HERE IN AZERBAIJAN

8. Citizen access, redress and voice
Government – and the civil service – exist for the benefit of citizens. And it is, therefore curious, that the citizen has appeared only fairly recently as an element in public reform strategies. Broadly speaking, three types of action can be distinguished –
- Citizen access – where the staff explore ways of making access to information and services easier (website suits only a small minority)
- Citizen voice – where the views and experiences of citizens are actively sought in a genuine effort to learn about the consumer and produce a more appropriate service
- Citizen redress – where systems are developed to ensure that the complaints of citizens are properly dealt with and, indeed, that state bodies see such complaints as an important feedback mechanisms to help them identify possible areas of improvement in their systems.

8.1 Citizen Access
A frequent complaint citizens have is of having to visit several departments before they can get the relevant information and forms. State bodies issuing certificates and entitlements – such as
- Driving licences
- Benefits
- passports
- Company registration

should analyse carefully their procedural requirements in order to simplify and clarify the process. Business requirements are almost certainly different from those of the ordinary citizen – and will probably need different treatment. Most (but not all!) businesses are linked to the internet and it is therefore reasonable to offer an online service for many transactions. But the majority of citizens do not – and will not in the immediate future – have such access and simpler mechanisms will need to be adopted such as –

- Clear leaflets outlining procedure
- Copies of application forms being easily available (eg in libraries)
- Simplification of procedures

The Portugese experience is worth looking at. They were the first country in the late 1980s to put the citizen at the heart of the administrative reform effort[34].

"Citizen's Shop," offer counters for public service from different organisms, at which information can be given and services rendered of various kinds, 24 hours per day. The goals of the Citizen's Shop has been to improve the quality of serviced provided to citizens, develop a new form of integration and management of services based on the principle of partnership, give more comfortable access to services on the part of users and introduce new working habits and technology.

Examples of services include obtaining an identity card, a driver's license, registry of motor vehicles, criminal registration, declaration and payment of taxes, certificates of birth, marriage and death, centers for handling consumer conflicts, social security, unemployment benefits, water, gas, electricity, telephone and postal services, and other support services.

As IT developed, kiosks were opened to allow citizens to obtain clear information about not only such procedures – but how to deal with a variety of common problems.

8.2 An example of what surveys can do

Citizens First **public opinion studies of citizens' opinion of public services in Canada[35]**

In Canada, studies of citizens' opinion of public services have often been conducted by ministries. Yet the most comprehensive approach has been developed by the federal government and four provinces. Since 1998, they have conducted biannual surveys known as *Citizens First*[36] to obtain comprehensive information on how citizens perceive the services they receive from governments at the municipal, territorial, and federal levels. The surveys have been funded by the government, managed by a nongovernmental organization (The Institute of Public Administration of Canada), and conducted by a consulting firm. They were based on a representative sample of 6,000 Canadians in 1998 and 9,000 in 2002. The surveys cover both services provided by the government (at the national, territorial, and municipal levels) and private entities.

Citizens were asked to measure the six highest-priority services provided at the federal level (in the set of 18 federal services), including Canada Post, Canada Customs & Revenue Agency, Employment Insurance, Customs & Immigration border services, Canada Pension Plan/Old Age Security, and Health Canada – information on health issues.

Respondents also provided a service quality score for each of the 40 municipal and provincial/territorial services that they had used in the past year.

Fig. 2 shows the *Citizens First* Model..

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[34] see Putting Citizens First – Portugese experience in public management reform (OECD 1996) – available on EOCD website

[35] Methods and results are published in a report available on the Internet: http://www.icss-isac.org/eng/pubs/CF3.pdf

[36] Citizens First, prepared by Erin Research: Institute of Public Administration of Canada, Toronto, 2000 & 2003

Fig. 2 The *Citizens First* Model
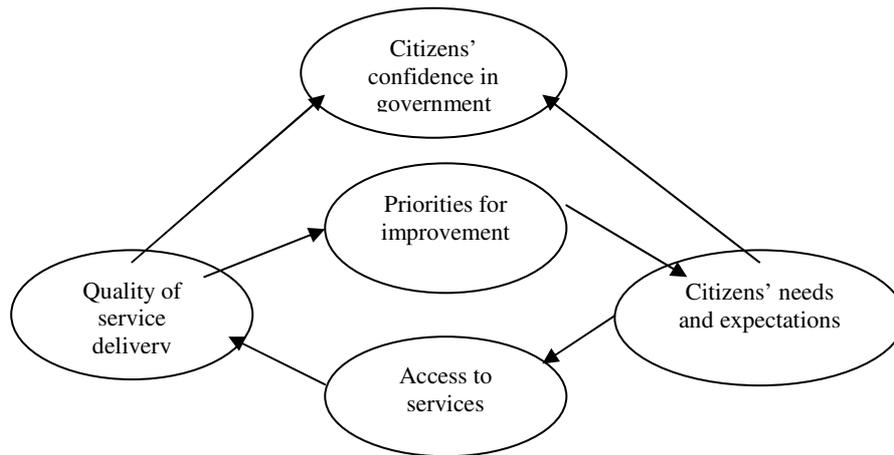
Data obtained as a result of the 2002 survey shows that a long-term trend towards the worsening of Canadian citizens' perception of government, may change towards improvement soon. When evaluating the overall quality of public services, the share of those who positively assessed their quality increased from 47% in 1998 to 51% in 2000 and 56% in 2002. Similar improvements have also been registered for some particular public services. The following factors were identified as important features of public services:

- timeliness;
- staff knowledge and competence;
- staff courtesy and helpfulness;
- fairness; and
- outcome.

A client satisfaction score is then compiled between 0 and 100. The survey also identifies citizens' priorities for improving service at each level of government, including the potential for e-government solutions. The chart below indicates the satisfaction ratings for a select group of 20 public and private services from the 2000 survey.

Table 6 – Best and Worst Ratings by Citizens of Services in Canada

Top 10 Services	Rating	Bottom 10 Services	Rating
fire department	77	post office	60
public libraries	75	insurance companies	59
supermarkets	73	taxis	58
private mail carriers/couriers	69	public transit	55
provincial electrical utilities	64	tax collection and customs	54
provincial parks, campgrounds	64	cable television	53
police	63	banks	52
telephone companies	63	public education system	49
department stores	62	hospitals	49
passport office	61	road maintenance	36

Clearly this is an important example of the use of the reward and penalty mechanisms we identified in table 2 above. We know that all organisations become complacent and inert unless they are exposed to competition, challenge and shock.

8.3 Citizen Voice

Such surveys are obviously interesting – but a bit passive as far as both state bodies and citizens arte concerned. There are in fact a wide range of ways in which state bodies can and should actively seek to involve citizens in their activities.

Table 7 - Consultation Mechanisms

Mechanism	Examples
Complaints/ Suggestions/ Testing	• *User comments* and complaints • Feedback from staff/suggestions schemes • *Mystery shopping* - someone commissioned by you tests the service, looking at a number of predetermined areas, and then reports back; • *Piloting changes* - trying out changes on a small area of your service is a useful way to test whether those changes are going to work for the whole service
Meetings and Discussions (Qualitative)	• *Open/public meetings* - meetings arranged for members of the public to find out about and express their views on a particular issue • *Using representative groups* - Many, mainly voluntary, organizations know what is happening on the ground, and are in a good position to tell you what users think about your service and the problems they have. • *Face-to-face interviews* - can tell you what people think and why, and allow you to explore in detail their views, attitudes, behavior or motives. • *Focus groups* - Focus groups are normally made up of around 8-10 people led by a trained facilitator in a one-off discussion on a particular topic. • *User panels* - A user panel allows a small group of users and senior managers to discuss user concerns. Whereas a focus group usually only meets once, a user panel will meet regularly over a long period. • *Citizens' panels* - Citizens[1] panels (which are larger than user panels) comprise a significant sample of citizens (usually between 600 and 2,500 a national panel would be bigger), and are representative of the relevant population. • *Citizens' juries* - a structured method of obtaining detailed, considered views from members of the public on particular issues. Juries are usually made up of 12-16 lay people (neither experts in the particular issue nor members of interest groups), who hear evidence from a range of specialist witnesses over several days and draw conclusions.
Surveys (Quantitative)	• *Questionnaire-based surveys* - It allows you to get views from a widely representative group of users (and non-users), and can give statistically reliable information; • *Ballots/referenda* • *deliberative polling* - In deliberative polling, a representative sample of people is initially polled on an issue. They then learn more about the topic through being given information, asking questions and participating in discussions, and at the end of the process are polled again.
Inviting written comments	• Written consultation exercises are designed to provide a formal means by which people can be invited to comment on policies and proposals.
Visuals and Presentations	• *Open days/exhibitions* – formal or informal occasions when users (and potential users) can find out what you do, meet staff, ask questions and so on. • *Roadshows* – similar to open days and exhibitions, except that you go to communities rather than expecting them to come to you. • *Information technology* – consultations via internet

Source: Guidance for the use of the Code of Practice on Consultations:
http://www.cabinetoffice.gov.uk/regulation/consultation-guidance/content/introduction/index.asp

Citizen report cards

This has become one of the best-known examples of citizen feedback on the quality of public services. It started some 15 years ago in Bangladore – as a local, grassroots initiative and consists of a simple questionnaire in which a sample of citizens are asked to rate (from 1-10) the quality of a range of services. The results are published.

The practice has now spread to many other countries and has been extensively and positively evaluated[37]. Clearly a bad rating leads to questions within the relevant state body – and generally

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[37] see An Assessment of the impact of the Bangalore Citizen Report Cards on the performance of public agencies (ECD working paper series 12 - World Bank June 2004)

remedial action. And the action is all the better when it involves discussions with citizens themselves.

The questionnaire design and management requires professional input – which costs money – although the polling is conducted by citizens who are specially trained for this. And the organization conducting and analyzing the survey has to be independent from government but to have credibility with it. Sometimes these are difficult criteria to satisfy.

Citizen representatives

A different – and cheaper – way of getting citizen feedback on public services was started in Tunisia in the early 1990s[38]. This consists of the state advertising for and recruiting volunteers who are then specially trained to look for the following features when they themselves go – as ordinary citizens – to the offices of state bodies for services -

- Condition of the building, equipment or materials
- Waiting time
- Attitude of officials while delivering the service

The volunteers then give anonymous reports to the unit (within the Prime Minister's Office) which then feeds back the aggregated results to the bodies concerned at regular intervals. This can be done privately or publicly – although there should be a public annual report on the scheme.

We feel this scheme holds some promise for Azerbaijan – perhaps as a prelude to the adoption of the mechanism described in the next section.

8.4 Development of Citizen charters (Service contracts)

It was, once again, some 15 years ago that the British government first had the idea of developing standards for the treatment of citizens by its public services – and publicising and enforcing these. In some cases, failure to achieve promised standards led to monetary penalties. Generally, however, the charters – which are now prominently displayed in every public office - spell out such basic commitments and entitlements as maximum waiting time; clear identity of the officials; and complaints procedures.

Simple and basic as such charters may be, they ensure staff know their obligations to the public and that citizens know some of their rights.

The OECD has just published a Manual on designing and managing such a scheme[39] which illustrates how useful public consultation can be in improving services – but also indicates that a proper support system will be needed here to help get it off the ground. Our recommendation is that this approach is first piloted in a few state bodies. These would have to be carefully selected – on the basis of clear criteria such as -

- most frequent contact with the public
- most positive attitude to the scheme

8.5 Redress – dealing with complaints

Clearly one of the frustrations of the public is how they and their complaints are dealt with – although there are few statistics about the situation[40]. This problem has been mentioned since the Oct 2003 Decree on socio-economic planning. Every state body has a unit which is supposed to deal with letters from the public. A programme to help this process can easily be designed – and, if it resulted, in more friendly and useful replies, this could certainly help the public image of the civil service. But, in the absence of external pressures from the public itself, it is highly unlikely that any improvements will be made. It is here that the idea of Citizen report cards is valid.

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[38] see chapter 12 of Innovations in Governance in the Middle East, north Africa and Balkans (UN Department of Economic and Social Affairs 2007)

[39] See Improving Customer orientation though service charters (OECD and Ministry of the Interior Czech Republic 2007)

[40] Eg Ombudsman Annual Report

Most complaints have causes that are not solved simply by better responses! The possible causes of public dissatisfaction about an administrative decision arises from –

- Lack of a system of administrative law which clearly regulates internal administrative procedures
- Informal favouritism (minor corruption)
- Lack of training of staff
- Lack of resources

This is recognized by the anti-corruption strategy which says, in section 4,

To improve their activity government agencies have to define precise decision-making procedures and timeframes; should improve the work and the principles of consideration of the applications and complaints; should undertake necessary measures to provide public with the comprehensive information on their activity. National Strategy includes adoption of the Administrative Procedures Code. Major purpose of the Administrative Procedures Code sets up procedural principles and regulations of the consideration of the administrative disputes in the courts.

A number of countries have legalized the rights of citizens to complain and the obligations of the government. For example, Australia requires government bodies to reply to written complaints from citizens within 28 days and to state facts and reasons. Such complaints may be used as grounds for filing appeals. Many countries have created administrative courts to consider complaints about the legitimacy of government decisions. For example, eight administrative courts in Finland receive up to 20,000 such appeals every year. Cases may be further considered by the Higher Administrative Court.

The key mechanism assuring the public of being able to register a complaint against a government official or action is the Office of the Ombudsman[41]. The first Office was established in Sweden in 1809. Such systems became much more widespread during the 1950s. Generally, Ombudsmen are appointed and report to Parliament, not the Government of the day, and are in charge of reviewing the citizens' complaints in various areas, such as physical damage, freedom of information, etc. However, in some countries (e.g., in Sweden) in addition to Parliamentary Ombudsmen there are special Ombudsmen appointed by the Government (to review issues of consumer rights, discrimination, children's rights, and rights of the disabled).

In Finland the ombudsman investigates complaints filed by citizens against the government and its organizations in order to ensure compliance with the law. If a mistake is found, charges may be brought or a sentence may be passed. No payment of compensation is provided for in such cases.

Although the institute of ombudsman is the basis of a fair, honest, and open government, ensuring the quality of services is not its main function. However, the ombudsman's functions may facilitate the achievement of this goal. For example, the ombudsman in the Province of Ontario annually awards government organizations for the excellent resolution of disputes initiated by public complaints. In Quebec the ombudsman has issued guidelines for creating a credible public complaints mechanism (see box below).

There is a large number of legislatively established bodies and mechanisms to go to with complaints against concrete services, such as police, as well as to protect the legitimate rights of concrete groups of people, for example children, consumers, women, and the sick.

- The activity of the national police force in Canada is evaluated by an independent public complaints commission that is empowered to consider and file complaints, to receive information about the consideration of complaints, and to issue recommendations to the attorney general or the national police force. The commission should prepare annual reports on its actual/expected activities, for example, information about the total number of complaints, the number of complaints that were considered with a delay, and the decisions adopted.

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[41] for this section we are indebted to a World Bank working note

- In United Kingdom a large network of the ombudsman's offices to consider complaints on various issues was created, for example, against the national health service, financial firms, social housing lessees, lawyers, pension fund managers, police, and prisons. Other bodies deal with complaints concerning tax collection, the work of customs, appointments to public service, the actions of immigration councilors/lawyers, child support allowances, and land registration.
- Norway has a commissioner for children's affairs who protects the rights of children. Certain time has been allotted for telephone calls and complaints from children. Children have initiated 18.5 percent of all cases.

Ideally, complaints filed against government bodies should be considered without further reconsideration through more expensive legislative channels. As a preventive measure the government has provided for the creation of an office for public complaints, in most cases within individual organizations. For a dispute resolution mechanism to be effective, it should not only allow the recipients of services to appeal, but it should also help to improve the quality of these services. If used properly, a mechanism of internal dispute resolution saves funds by solving problems before they are taken to more expensive administrative or judicial bodies.

Quebec's ombudsman has determined eight principles for creating a credible internal public complaints mechanism.

box 4 – Principles of a Credible Public Complaints Mechanism[42]	
• accessibility (recognizable, welcoming)	• procedural equity and transparency
• simplicity (no administrative barriers)	• clear, complete response provided
• speed (within reasonable time frame)	• follow up (recommendations acted upon)
• confidentiality	• systemic (redress extended to all victims)

Examples of internal public complaints processes include:
- Australia's Centrelink Agency, a one-stop shop service delivery agency, permits service recipients to request a review of a decision either by the person who made it or an authorized review officer; if that decision is not accepted a formal appeal to the Social Security Appeals Tribunal can be made.
- Ontario requires each ministry to have a complaint resolution process in place, to acknowledge receipt of the complaint within two days, and to specify follow-up time frames.

All formal and informal complaint mechanisms confront the problem that citizens often do not understand the organization's quality commitment or how to press a grievance claim. Accordingly, ensuring client awareness of these mechanisms is a critical success factor of any redress system.

Action Suggested by our discussions for CSC
- Obtain and analyse info from Ombudsman and state bodies about the frequency of complains in various service fields
- Identify any surveys of public opinion about their satisfaction with specific public services
- Collect press cuttings on the issue
- Identify a state body which would be open to joint work on the improvement of their system

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[42] A Legitimate Credible Complaints Office: Complaints Processing in Government Organizations. Quebec National Assembly, 2001.

8.6 Administrative Law

The previous section has recognised that a body of administrative Law is needed to clarify and enforce administrative procedures which ensure proper attention to citizen rights. An article on the Portugese experience[43] makes the point strongly -

Portugal's Code of Administrative Procedure

"Until 1991, despite a law of administrative procedure having been promised by successive governments since the already distant year of 1962, not even the Administration knew its complete responsibilities in the course of administrative procedures taken, and citizens did not know clearly their rights as regards the Public Administration.

By virtue of the formulation of this Code, both the common citizen and the organs and employees of the Administration now have access, in a clear and accessible language, to the essentials that need to be known in order to base their conduct correctly and to know their rights and responsibilities as regards the other.

This Code, which complies with the determination of a precept of the 1976 Constitution, with all its virtues and defects, is today one of the pillars of the complete exercise of citizenship on the part of each Portuguese citizen.

Read the following words from the preamble of the Code, about the objectives it hopes to achieve:

"a) Discipline the organization and functioning of the Public Administration, seeking to rationalize the activity of the services;

b) Regulate the formation of the will of the Administration, so that just, legal, useful and opportune decisions can be taken;

c) Ensure the information of interested parties and their participation in the formation of decisions that directly affect them;•

d) Safeguard in general the transparency of administrative action and respect for legitimate rights and interests of the citizens;

e) Avoid bureaucratization and bring the public services closer to the people."

In summary, it can be said that the principle objectives of this Code were to reinforce the rights and guarantees of citizens and to discipline the services of the Public Administration in order to improve their efficiency and efficacy.

9. Accountability

"Measures in the area of government agencies activity should be directed at improving their work, professionalism, accountability and increasing transparency".
(section 4 of 2007 AC strategy)

Most countries, until recently, had a highly developed system of administrative control - of both policies and personnel. The culture was a centralised one - assuming, that is, that wisdom and competence was at the centre; that lower levels could not really be trusted; and that ex-ante control was therefore needed.

OECD systems have moved away from this tight control – which they saw as stifling the initiative they required from managers and now rely on ex-post control. The traditional audit system has, however, been supplemented by two new forms of audit which are most clearly seen in the UK.

9.1 independent audit to identify value for money

In Britain one of the most important developments has been the work of the National Audit Office[44]. This reports to the Public Accounts Committee of Parliament – not to Government. It now employs

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[43] "The Modernization of Public Administration and the Consolidation of Democracy in Portugal" by Joao Ilharco Rui Afonso Lucas (1995)

[44] for a description of how all this process works see the chapter by Lashmar in SIGMA paper 4 on Management Control in Government – obtainable from website www.oecd.puma.sigma/org

700 staff and not only audits the work of all public agencies; it also carries out 50 special studies each year on "Value for money" in the public sector. Its reports exert increasing influence.
Such studies shine a light into technical areas of, for example, major procurement contracts – and use the mechanism of fear (of being discovered) and shame (see table 2)

These reports go to Parliamentary Select Committees (eg on Education; Health; Defence). Such committees have their own secretariat and are chaired by an opposition member eg in Britain. These committees have the powers to conduct public hearings; require the attendance of civil servants and Ministers; and issue reports to which Government gives a formal response. Effective chairmanship of such Committees is one way of advancing one's political career. And effectiveness means the development of bipartisan agreement.

9.2 Identifying good practice

A very different form of audit is one which looks for – and encourages - good practice. The Audit Commission for Local Government and Health Service in England and Wales, for example, focuses not on a single state body but on a function – such as managing property or repairs service – and analyses a cross section of state bodies to see how they are managing that function. Its published results as a form of consultancy – using good (and bad) practice to help state bodies manage the function more effectively.

The attached diagram indicates some of the questions which might be asked about activities in the health service - and identifies the sort of data which needs to be collected for effective monitoring.
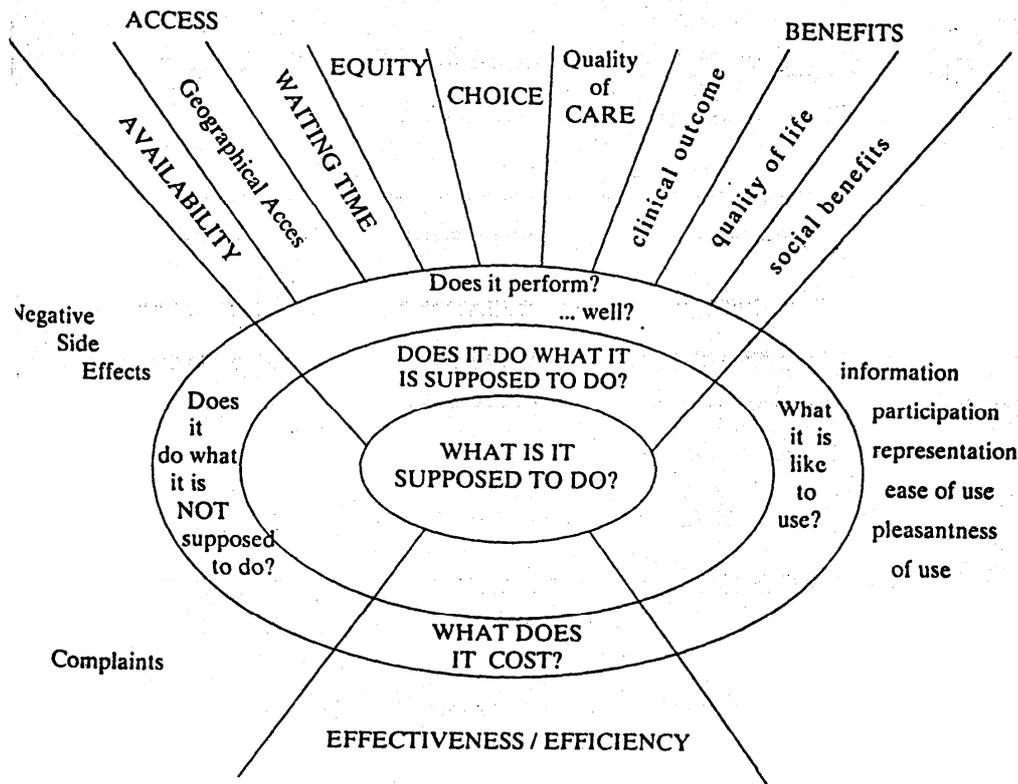
9.3 Professional Inspectorates

A more traditional form of audit is that of the professional inspectorate. The focus of this work is particularly the practice of schools and hospitals. This looks at the performance of individuals units (eg a school), comments on performance and issues public recommendations. The inspectorate also

issue guidelines on good practice. This used to be done within the relevant Ministry but is done now in many countries by an independent state agency

9.4 Implications for Azerbaijan
Task 8; discuss this issue with Chamber of Audit here – which has problems accessing data!!

10 Increasing effectiveness

"Within the Strategy government agencies are undertaking measures to define their authorities clearer, eliminate overlapping in the functions and tasks, conduct legislative measures with this purpose and making necessary changes to the normative legal acts to determine the status of the government agency".
Anti-corruption strategy, Azerbaijan

It would seem obvious that increased effectiveness of the work of state bodies is a goal we can all agree on. And we also have to accept that the regulations of each state body clearly set more tasks than there is money or staff available. So each state body needs to identify its priorities – and ensure that its resources of staff time and money are pursuing those (and not other) objectives. Various tools are available to help that work – of which the best known is Functional Review (FR).

10.1 What is it?
FR is a tool to help identify state bodies' functions or activities which –
- are superfluous
- are best performed out side government (private sector or municipalities)
- are duplicating those performed in other state bodies

The exercise involves mapping each function given to the Ministry in its founding Decree – and the time and budget spent on it. Generally such exercises indicate the Ministries are not spending their time and resources on the strategically important functions – which leads naturally to questions and changes in management style and structures.

10.2 Some experiences[45]

Table 8; Some Functional Review experience

	Period	Focus	Driving force	Structure	Results
Kazakhstan	1997-?	Decentralisation	Donors		Reduction of number of ministries
Kyrgyzstan	Continuous from 1999	Ad-hoc. Ministry by Ministry	Donors		zero
Latvia	1997-2001	duplication of functions Min Ag; Min Labour	Locally-driven	Initially staff of Bureau of PAR Then Steering committee with external advisers	Zero positive
Russia	2001-2003	All Ministries	joint		Major reorganisation
Serbia	2001	Shape of all Ministries	Joint		?

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[45] Rebuilding state structures – the trials and tribulations of post-communist countries (UNDP paper 2001)

Slovakia	2001	efficiency (from a certain neo-liberal perspective) of state operations	Locally-driven	Large working group with united donor support	Supplied main momentum to reform
Uzbekistan	1999-2000	Transfer of functions Education and Health	Donors		zero

Each FR is different – and will depend on the key concerns and the inclinations of those carrying out the work. Reviews seem to fall into one of two broad categories. The first (narrower) definition (used by Latvia, Kazakhstan, Serbia and the UNDP report) divides government functions into 5/6 basic types and explores whether they are appropriate for the organisation – or should be transferred elsewhere. International best practice is used as a benchmark.

The second (broader and more open-ended) type of Review (such as the Slovak and Bulgarian) focuses more on questions of efficiency and looks at more managerial functions (eg property management, procurement etc) and also at financing issues (such as pay). And the Slovak exercise was conducted against the urgency of making up for the time lost in the first half of the 1990s and being seen as serious contenders for the first wave of CE accession entrants.

It is fairly easy to compare mission and structure of particular Ministries with those in equivalent countries – and this, apparently, was an important part of the Serbian and Slovak work (when small, unitary states in West Europe such as Netherlands and Denmark were critical structural benchmarks). The Slovaks[46] also did internal comparisons – and, where relevant (eg HRM), the private sector.

10.3 Preconditions

"Reviews that are largely consultancy- driven and focussed on one Ministry become the most difficult when the implementation stage is reached; while those that have established an internal team of specialists seem to make the most progress in moving on from pilot exercises to systematising a regular review across the public sector as a whole" (UNDP 2001 p25)

It is, perhaps significant, that FRs as such do not seem to have been performed by most of the accession countries (Latvia was an exception in the late 1990s; Slovakia in 2001). In the other accession countries the political system seems to have found its own way – under the drive of strong reform to join the EU - of determining these questions. FRs have been developed, it seems, by technical advisers operating in environments which have a more minimal or formal interest in reform. As such, they run the risk of being paper exercises – as in Kyrgyzstan.

In Kazakhstan the results seem to have been limited to a rationalisation of Ministry functions – with little of the work on decentralisation leading anywhere. Latvia sold its work on the basis initially of duplication of functions – but then seemed to move to the rationale of "fit for European purpose".

As with all such techniques, there needs to be a demand – not only from country's political leadership – but from the relevant state body. How is that shaped? FR needs to offer state bodies something – even if it only a percentage share of the savings from any abolished changed functions. And any such exercise needs to be structured in a way which maximizes local ownership (as in Slovakia)

10.4 Self-improvement and self-audit

State bodies do not need, however, to wait for such an exercise to be imposed on them. There are now a variety of tools available which allow an organization to take the initiative and test itself for the effectiveness of its various systems. A recent publication[47] described practical improvements carried out by various government bodies in the middle east and Balkans.

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[46] reports on the Serbian and Slovak experiences can be found on the internet

[47] Innovations in Governance in the Middle East, north Africa and Balkans (UN Department of Economic and Social Affairs 2007)

One possible initiative here in Azerbaijan is for government to set up an improvement scheme with the following features –
- state bodies invited to submit proposals for performance improvement in certain areas
- successful bids receive consultancy assistance
- results are published in form of guidance notes

Also worth mentioning is the self-assessment scheme for public bodies which has been developed by the European Foundation for Quality Management. This identifies eight basic features of an effective organization and gives guidance on how they might be measured. The 8 features are -
- Results Orientation
- Customer Focus
- Leadership and Constancy of Purpose
- Management by Processes and Facts
- People Development and Involvement
- Continuous Learning, Innovation and Improvement
- Partnership Development
- Public Responsibility

In Britain each state body can carry out its own assessment[48] - and send the results to a central point for feedback.

10.5 Conclusion
It is too difficult and time-consuming to carry out Functional Reviews at an early stage in reform. The pay-off doesn't justify the inputs of time, money and personal reputation. If the other more practical work on transparency, accountability and citizen involvement works, it will naturally create a climate in which state bodies will want to look closely and critically at how they are structures and spend their budgets. But government needs to ensure that the local consultancy capacity is created to help state bodies improve. And we recommend this is best done in the context of the competition suggested at para 10.4

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[48] the Dolphin questionnaire can be found on the internet

11. Motivating staff with challenge and responsibility

So far, this paper has set out ideas and concepts – but it is individuals who will have to implement them. And a critical question is how ready civil servants are to adopt change programmes with enthusiasm. Change is always threatening…..

And it is significant that the 2007 anti-corruption strategy sets out so many recommendations which relate to the need to improve the civil service system -

> "Measures should be undertaken to improve code of conduct of civil servants, issues related to the **code of ethics** of the civil servants and awareness on combating corruption, as well as organization of trainings for them.
>
> Hiring specialized and professional employees is necessary to setting the work of the government agencies in accordance with the contemporary requirements and increasing transparency. It is necessary to improve the civil service hiring regulations and conduct of civil service hiring **based on competition in all areas**.
>
> At the same time, there should be measures undertaken to **increase the prestige of the civil service**, conduct of **motivation programs**, as well as involvement of the experts who gained their **experience in the private sector** should be provided.
>
> To increase the transparency of the civil service goals and principles, **evaluation system of the civil servants' activity should be developed**, as well as areas where rotation of the civil servants is conducted should be clearly identified.
>
> To improve material, social, and financial guarantees **stage-by-stage increase of the salaries** and other measures are being undertaken.
>
> To simplify the achievement of the afore-mentioned goals and develop the civil service in accordance with the contemporary requirements **special state program will be developed**."

11.1 The image – making people want to join the civil service

If the measures which this document has described and recommended in sections 7-10 are enacted and work, the image of the civil service will automatically. It will be seen to be a challenging place to be. Section 3.3.3 above has indicated that most civil service systems have suffered from an image problem. This is not dealt with simply by good marketing and public relations – however useful that may be to report on actual changes. Good people apply to an organisation for positions when -

- they are confident their application will be treated fairly and seriously
- they see a career structure
- there are training opportunities
- they are given responsibilities which help them learn new skills
- there is a possibility of getting promoted positions with reasonable remuneration

Azerbaijan has taken the first steps in setting up such a system with the 2002 Civil Service Law now being implemented with the assistance of the Civil Service Commission which got its operations underway in autumn 2006. Early in 2007, it worked with ??? state bodies on the first major tranche of recruitment under the competitive provisions of the Civil Service legislation. The publicity which went with that has begun to show the public that recruitment of levels 6-9 is now being conducted under a competitive regime.

11.2 Motivating and retaining the staff

But the challenge is not just to attract and recruit talented staff – it is to retain them. And that brings us to the question of motivation. Some state bodies actively seek to motivate staff; others don't. Why is that? How do we bring the worst up to the level of the best? And keep the drive on for improving???

And that takes us back to the questions of effectiveness and innovation we touched on in section 10. Pay, conditions and career prospects are very important considerations for attracting and retaining

good staff – but even more so is the job satisfaction which comes from a well-led and managed organisation striving for improvement and which gives responsibility to its staff. And that requires action at the highest level to ensure that state bodies are infused with the spirit of transparency, performance and accountability.

In this section, we focus on the modest building blocks which can and must be erected to ensure that staff can respond to this challenge.

11.3 Induction process;

One immediate way to motivate is to have an effective induction process. The law provides for a period of 12 months for a new recruit – likely to be shortened to 6 months (with a superviser). The CSC plans to develop a training programme for supervisers to help them make this induction period more effective.

11.4 "fast-track"

This has become a fashionable idea – of trying to bring good people into the civil service who would normally consider such an option unattractive because of

- Poor salary
- Poor career prospects
- Lack of job satisfaction

Special programmes are arranged in some civil service systems for those who have shown promise and skills in, for example, the private sector to allow them to obtain a promoted position in the civil service system.

Although Azerbaijan is much more open in its recruitment, there is a legal requirement for senior positions of having served 5 years in the state sector. This rules out good younger experienced people with private or NGO experience – who are, in any event, are discouraged by the image of the civil service; lack of delegation and therefore job satisfaction; lack of career prospects. How do we change this?[49]

In an effort to bring in "new blood", Romania has adopted a "Young Professional Scheme" which recruits good graduates, gives 100 of them a year's training in a European School of public admin and then places them in a promoted position. But they are straight from University – with no practical experience or management skills. So the scheme doesn't answer the basic need – of getting experienced people with a performance drive. That will probably putting a proper promotion systems in place (see 11.9)

11.5 performance appraisal

New system being introduced

TASK 9; CSC staff to summarise that new draft Decree and insert here.
[50]

11.6 development of human resources management system – to ensure that state bodies can actually use these new instruments for recruitment and promotion. There is an increasing demand now from state bodies for training in interviewing and promotion systems – and a training capacity does need to be developed.

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[49] this problem was so big in OECD countries in 1999 that they carried out a special study -

[50] "Performance-based arrangements for senior civil servants – OECD and other country experience" (OECD working papers on public governance 2007)

11.7 The development of a Training and support capacity

11.7.1 Developing a new support system
The strategy sketched out in this document places is realistic – but places significant demands on the staff of state bodies. It is, therefore, essential that a **support system** is put in place to help the staff
(a) understand the changes and their role in managing the new systems;
(b) introduce and roll-out the various initiatives; and
(c) develop the requisite skills

We have used the term "support system" rather than "training system" since more than training is needed. And it is essential that training courses are designed as an integral part of a change effort. All too often training courses stand alone and, even if they are delivered by effective trainers, the participants do not get the chance when they return to their workplace to practice the new skills and insights.
A training capacity should be established in Azerbaijan which serves the new reform agenda – ie which works closely with those designing change and learns and responds to their needs from this close contact as they prepare for change. In the first instance it would need to be strongly assisted by those with experience from other countries of this type of support – who would help train local trainers in the skills and material required. Its aim would be to
- Develop a network of innovators
- Ensure the sharing of experience – since innovation can be a lonely task!
- Develop case-studies for use in later training

11.7.2 Developing a management training capacity
There are 3 types of training –
- Development of **basic knowledge and skills** – eg familiarity with basic laws; IT; and a second language.
- **Professional development** – updating of professional knowledge is currently dealt with in the training centres which are part of the various Ministries
- **Management skills** – the need for which will grow as state bodies develop a performance and citizen orientation.

The precise needs in the first and last categories should be properly identified by training needs assessment by the Civil Service Commission who will then design relevant short courses which will be provided as a result of competitive procurement. It will be necessary for state bodies to have budget lines for this purpose.

11.8 D**evelopment of a pay system** which recognises the different needs of the "career" and "position" elements in the system

11.9 **Creating a professional system – with career prospects**
It has been suggested in our discussions that the **career element** of the civil system should be strengthened here – a **career system** is one in which those entering the civil service (at the start of their career) do so because they are opting to serve the national interest and understand that this will mean a reward system which is initially lower than they might be able to obtain elsewhere. In compensation, they enjoy certain advantages eg security; training; a system of internal promotion which gives the possibility of good rewards at a later stage ("delayed gratification").
It is normal to classify civil service systems as "career" or "**position" systems**. In the latter, most positions are advertised – on the assumption that there is no particularly special skill required by civil servants. They all require intelligence, project management skills and sensitivity to their colleagues and the needs of the customer and can and should move between the public and private

sector. Motives, on this model, are more individualistic and mercenary. No appeal, for example, is made to the public interest.

In fact – most civil service systems are a mix of the two – with a basic distinction always being drawn between the senior level and the rest of the system. But the **mixed systems** are of various sorts - particularly in relation to the selection process for the <u>**senior level**</u> with –
- the USA having a system of *political appointments* for that level (like Azerbaijan[51]);
- the UK now having most of its senior positions open to *competitive recruitment* from outside
- other systems relying mostly on *internal promotion*.

And many systems also made a distinction in pay and recruitment between a "general" and "specialist" class – which recognizes that specialists such as lawyers and IT people, for example, are able to attract a higher salary in the market and are generally more mobile. This distinction, of course, between specialists and generalists is not so easy to make in Azerbaijan and post-soviet countries where the terminology of job descriptions talks almost exclusively of "expert". This is in fact one illustration of the problem facing the civil service – that the notion of "management" (with all that means about achievement, discretion, people skills etc) is not yet embedded and properly understood.

The diagram which follow try to illustrate these various points.

See the rough sketch in the hard copy I left

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[51] although the American system does require the very top positions to be sanctioned by Congressional approval

The strategy of the CSC has been to focus its attention in its first year of operation to ensure that the provisions of the 2002 CS Law were honoured in relation to the competitive recruitment to the junior and middle levels of the civil service. That is now beginning to happen[52] – although we should appreciate that the numbers of new recruits at that level is not large[53]. Nonetheless this will begin to affect public perceptions in a positive way shortly – particularly in view of the active publicity strategy being used by the CSC.

The CSC next move will be introduce a new system of staff performance measurement – which will run in parallel for a couple of years with the old attestation system. Of course staff need to be appraised against previously agreed standards – which should relate to the needs of the organisation and not to the whims of the manager! So this will begin to put pressure on for the development of proper goals, targets and programmes for state bodies (with associated training). All this, of course, will place a much heavier load on the HRM capacity in the various state bodies – since this will apply to the entire personnel (not just new recruits). But it will begin to demonstrate the first signs of real professionalism – and the development therefore of an element of the career system.

The question will at some stage be raised about the senior levels of appointment – which currently lie entirely within the gift of the Minister. Some international experts have suggested that such political appointments are unacceptable – but, as the paper has indicated, this is in fact the practice in such countries as USA. In the meantime, the guidelines which the CSC will develop on these matters will, over time, certainly help change cultural norms.

11.10 Creating a Senior executive class – helps create shared values and policy coordination
A final proposal relates to the issue of motivating for change and performance. One fundamental lesson has emerged from all the change efforts of the past 25 years or so – and that is that they are successful to the extent that the leadership of state bodies takes them seriously and "walks the talk" – ie shows by their actions that they are personally committed to them. And this has to come at both political and administrative level. Ministers are the political leaders – who set the strategic direction and have to be sensitive to the political climate in the country at large and its Presidential leadership. They are the "face" of the organization – who listen, act and explain. But they cannot look after the detailed staff and logistical management of the organisation – nor carry out all the detailed and technical consultations and coordination required to ensure smooth implementation of policies, programmes and initiatives. At the moment they depend on senior staff they appoint for such things. In most other countries, however, that is handled by the position of State Secretary – which is the most senior of the career positions to which people are appointed generally from within the service. They receive special training in such fields as policy analysis and staff development – to ensure they have the skills to be able to give the Minister technical advice on policy options; coordinate with other state bodies; plan the implementation in a way which works; and ensure proper attention is given to staff development.

The creation of a special senior cadre – which has received special joint training and in whose hands the success of the civil service rests – ensures the creation of an ethic of public service and performance.

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[52] Wth the introduction in particular of a new and rigorous system of interviewing
[53] in a normal year, no more than 200

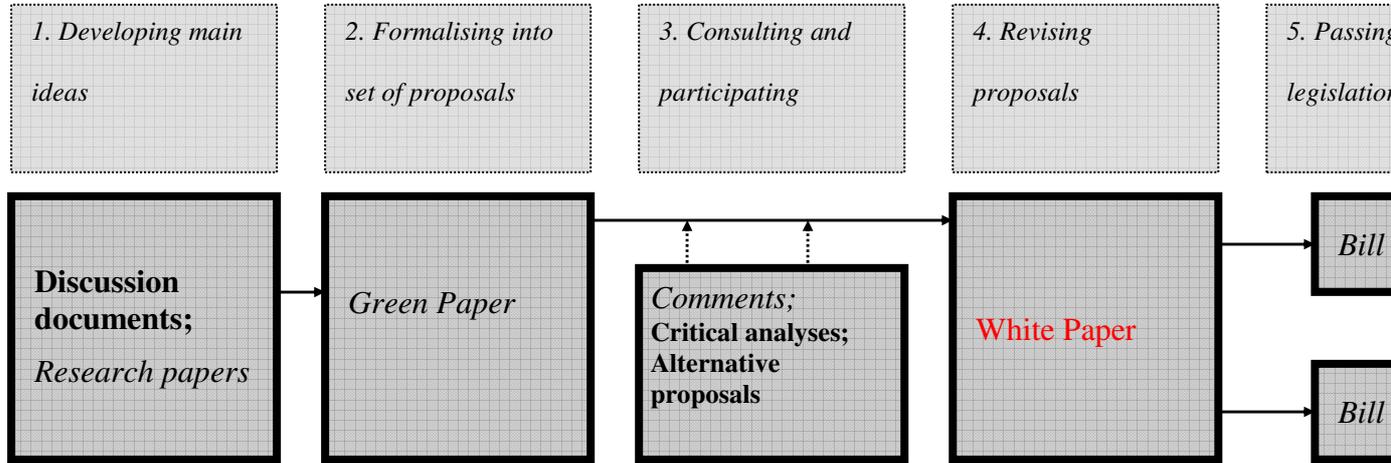## 12. The importance of phasing

This document sets out an ambitious set of principles and actions. They cannot all be set up at the same time. In some cases, they will require experimentation; in others phasing (eg.6.2 and 6.3) The training capacity will also take time to develop – and the types of audit described will take even longer. In section 2.4 we said that Azerbaijan lacks a literature of its own about performance improvement in the public sector – so the principles and ideas in the document will need time for people to adjust to.

13. How will we know if we're making progress??

See Russian indices (already in Russian in performance assessment paper left with my package at end of assignment)

14. Conclusion

ANNEX 1 – STAGES IN THE "POLICY TO LEGISLATION" PROCESS

1. Developing main ideas	*2. Formalising into set of proposals*	*3. Consulting and participating*	*4. Revising proposals*	*5. Passing legislation*

Discussion documents; *Research papers* → *Green Paper* → *Comments;* **Critical analyses; Alternative proposals** → White Paper → *Bill* / *Bill*

Groups involved at each stage:

- "Think Tanks"
- Civil servants
- Academics
- Consultants
- Specialists

- Ministers
- Civil servants
- Professional advisers

- Members of Parliament
- Relevant stakeholders
- Press, media, public

etc

- Ministers
- Civil servants
- Possible debate in Parliament

- Parlia...
- Sovere... (givin... assent...

Notes: One White Paper may need to be implemented through several Acts of Parliament.
The process of passing an Act through Parliament involves several stages of debate and amendment.

The countries implementing broad public administration reforms face a challenge of monitoring the implementation progress of the reform programs themselves which requires development of *focused* performance indicators linked specifically to program measures and objectives. In Bulgaria, such performance measurements were formed in compliance with the strategic guidelines laid down in the *Strategy of State Administration – from Accession to Integration, 2003 – 2006* (Box 3).

For overall assessment of the governance improvement progress, such *focused* indicators tracking the specific changes promised by a national reform program have been introduced should be complemented by a *broader* set of indicators that identify whether government actions have led to any lasting changes in the public sector performance. Hence, given the need to monitor and assess a set of

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Box 3: Monitoring State Administration Reforms in Bulgaria: Examples of Performance Measures

Strategy Area: *Planning and Implementing the Strategic Goals of Administration's Activity*

Performance measures used to assess progress:

- Share of public administration bodies that have clear strategic frameworks for goals and results;
- Share of territorial administrations that have clear strategic frameworks;
- Share of public servants aware of the priorities pursued by the public administration bodies they are working in;
- Share of strategic goals attained;

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large scale public management reforms that are currently being implemented in Russia, it seems expedient to develop a comprehensive approach that would allow to link various reform programs and evaluate their efficiency vis-à-vis the strategic objectives set by the Government.

2. APPROACHES TO DEVELOPING A PERFORMANCE INDICATORS FOR PUBLIC ADMINISTRATION REFORMS IN RUSSIA

The recent empirical research suggests that governance quality influences the inflows of foreign investment[54] while transparency of public institutions and efficient mechanisms of external accountability are closely related to the economic growth rates[55]. Finally, there is a correlation between the quality of public services and poverty levels[56]. Thus, improving public management efficiency becomes one of the pre-conditions for a sustainable social and economic development and improving welfare of the population.

A number of reforms aimed at improving the quality of public management both at the federal and at the sub-national level are currently being prepared and implemented in Russia. The magnitude of change in the public sector, a large number of interrelated activities, simultaneous implementation of reforms in various areas of state governance complicate the task of monitoring and assessment of the reform outcomes. Therefore, for the purpose of developing a public management reform monitoring system, it was proposed to differentiate between the key areas of the reforms: administrative reform, civil service reform, and budget reforms. In accordance with such differentiation, the key objectives of public management reforms at the federal level were formulated (Figure 1). It should also be noted that there is a number of sectoral modernization programs which contribute to development of public institutions in certain spheres (modernization of the treasury, tax administration, etc.)

**Strategic Goal**: Improve public management efficiency so as to support the objectives of social and economic development				
Objective 1: Develop an optimal structure of federal executive bodies and allocation of functions between them to ensure efficient performance of public administration and improve quality of public services	**Objective 2:** Reduce the level of state regulation in the economy	**Objective 3:** Improve professionalism, prestige, and competitiveness of the civil service	**Objective 4:** Improve efficiency and effectiveness of budget expenditures	**Objective 5:** Strengthen transparency and external accountability of public administration
Administrative Reform		**Civil Service Reform**	**Budget Reform**	**Budget and Administrative Reforms**

Figure1. *Objectives of Public Administration Reforms in Russia*

Taken into account the limitations of international integral governance indicators outlined in the previous section, it seems expedient to analyze such indicators as a set based on the assumption that possible deviations in values of these indicators are not of systemic nature. Besides, it should be noted that the values of these indicators are largely of *reference* nature, and analysis of these indicators without any linkages to the outcome and output level indicators may lead to misinterpretation and incorrect conclusions.

Thus, monitoring and assessment of public management reforms should be largely based on outcome and output indicators constructed in accordance with the objectives and tasks of the reforms. Table 1 presents some proposals on formulation of the objectives and tasks for the selected reform areas. *Outcome*-level indicators are proposed to measure the progress towards reforms *objectives,* while *output-level* indicators have been constructed to gauge the success of separate reform *tasks* and *activities.*

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[54] *Public Sector Transparency and the International Investor.* OECD. 2003.
[55] *Kaufmann. Rethinking Governance. Empirical Lessons Challenge Orthodoxy.* World Bank 2003
[56] *Making Services Work for Poor People?* World Development Report 2004. World Bank.

The proposed structure of objectives and tasks is preliminary and requires further clarification once the appropriate conceptual and program documents in the area of administrative reform are approved. The list of the proposed performance indicators is not exhaustive and largely builds upon international practices. Certainly, diagnostic tools and country examples provide a much broader range of possible performance measures of public administration indicators. The performance indicators included into the table were selected as (i) these seem to be more relevant to the country context; (ii) many of such indicators have been successfully used in other countries; (iii) the indicators are to be drawn from a variety of data sources, including internal data, surveys, self-assessment techniques, legal documents, etc., and therefore provide some objectivity of the assessment.

Table 1. Monitoring System for Public Management Reforms in Russia

Reform areas	Objectives and tasks	Outcome performance indicators/output indicators	Data sources
Administrative reform	**Objective 1: Develop an optimal structure of federal executive bodies and allocation of functions between them to ensure efficient performance of public administration and improve quality of public services**	▪ Public perceptions on accessibility and quality of public services[57]; ▪ Public officials orientation to service delivery; institutional climate in the civil service; ▪ Share of the approved service standards and administrative regulations that are being adhered to;	▪ Service delivery surveys (WB) ▪ Public officials surveys (DFID – baseline survey in 2003, WB – repeat surveys in 2004, 2005) ▪ Independent monitoring by NGOs, self-assessment by public authorities
	Task 1.1. Optimize structure and staffing of public administration and subordinate organizations	▪ Number of federal executive bodies by type of body; ▪ Vacancy rate; ▪ Number of civil servants as a % to population; ▪ Civil servants wage bill as a % to GDP (federal budget expenditures)[58] ▪ Share of actually restructured/eliminated subordinate organizations out of the total number of organizations to be restructured/eliminated as approved by the Commission on Administrative Reform ▪ Dynamics of staffing of and expenditures on subordinate organizations	▪ Legal and regulatory base; ▪ Federal executive bodies data; ▪ Federal statistical service data; ▪ Decisions of the Commission on Administrative Reform
	Task 1.2. Optimize implementation of executive bodies functions based on the functional review results	▪ Share of actually eliminated (transferred to another level, to self-regulating organizations, commercialized) functions based on functional review of federal executive bodies as compared to the number of functions that have to be eliminated (transferred to another level, to self-regulating organizations, commercialized) according to the decision of the Commission on Administrative Reform; ▪ Number of eliminated/newly established positions based on functional review of federal executive bodies	▪ Federal executive bodies data; ▪ Decisions of the Commission on Administrative Reform
	Task 1.3. Optimize business processes and introduce administrative regulations and	▪ Number of federal executive bodies which have created commissions on administrative regulations development; ▪ Number of approved administrative regulations on functions and	▪ Federal executive bodies data ▪ Data from Commissions on administrative regulations

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[57] Other components of public management reforms, such as civil service reform and budget reforms, may also affect the dynamics of this indicator. A possibility to use this indicator as a measurement for the strategic goal achievement may be considered.

[58] To provide for cross-country comparisons, development of additional methodology is needed (given the specifics of public sector statistics in Russia and abroad)

		public service standards	administrative regulations of interagency interaction; ▪ Share of approved administrative regulations which allowed to cut time/improve quality of public functions performance; ▪ Number of external complaints (from citizens and legal bodies) on non-compliance with the administrative regulations; share of such appeals which have been considered in the favor of external persons; ▪ Share of public services with the approved delivery standards in total number of public services; ▪ Number of federal executive bodies which carry out regular monitoring and assessment of service delivery; ▪ Share of public services with information on quality of service delivery placed on the official web-sites of the federal executive bodies; ▪ Share of electronic administrative regulations in total number of administrative regulations; ▪ Share of public services delivered based on "single window" approach; ▪ Share of e-services in total volume of public services (evaluated as a share of services which may be provided electronically **and** a number of actual e-transactions)	development ▪ Service delivery surveys ▪ Web-sites monitoring results
Administrative Reform	**Objective 2: Reduce the level of state regulation in the economy**	▪ Perceptions of the level of administrative barriers in selected spheres of economic activity ▪ Growing share of SMEs in GDP and total employment ▪ Growing share of private sector in GDP	▪ Monitoring of deregulation reforms (CEFIR) ▪ Business surveys (WB – BEEPS) ▪ Federal Statistical Service data
	Task 2.1. Restriction of government's interference into economic activity of business, including elimination of excessive state regulation	▪ Reduction in number of bodies conducting inspections of businesses ▪ Share of public authorities carrying out control and inspection functions who implemented "single window" principle ▪ Number of regulatory regimes	▪ Federal executive bodies data

	Task 2.2. Development of self-regulated organizations (SRO) system in economic sphere; organizational separation of functions related to economic activity regulation, oversight and control, public property management and public service delivery	▪ Share of control and inspection functions transferred to SROs	▪ Federal executive bodies data
Civil Service Reform	**Objective 3: Improve professionalism, prestige, and competitiveness of the civil service**	▪ Public perceptions of civil service prestige and quality of public officials' work ▪ Public officials' perceptions of civil service prestige and importance of merit in the civil service ▪ *Policy credibility* index (allows to evaluate whether (i) policies were consistent; (ii) policies were clearly communicated to employees; (iii) polices were supported by employees; (iv) there was political interference/micro-management.) ▪ *Rule credibility* index covering the issues of rules in recruitment; rules in evaluation/performance management/appraisal; rules in training; rules in recording; fairness in treatment of individuals; predictability of individual employees' career paths. ▪ Turnover rate at the positions of division/department heads and deputy heads of federal executive bodies at the reappointment of heads of federal executive bodies *(depolitization)*	▪ Public surveys (conducted by MoEDT under the program) ▪ Public officials surveys (DFID – baseline survey in 2003, WB – repeat surveys in 2004, 2005) ▪ Federal executive bodies data
	Task 3.1[59] Creation of conditions for optimal organizational and legal support to the civil service	▪ Progress in development of modern legal and regulatory base for structuring and functioning of the civil service (adoption of the law *On Civilian Public Service* and appropriate regulatory acts that allow to implement new principles of civil service management)	▪ Assessment made by international organizations (i.e., OECD)
	Task 3.2. Definition of duties, authority and responsibilities of public officials based on job (official) regulations	▪ Share of federal executive bodies which have introduced job regulations for civil servants ▪ Public officials perceptions on the extent of application of job regulations in practice ▪ Public officials opinion on interrelation between administrative and job regulations in practice	▪ Public officials surveys (DFID – baseline survey in 2003, WB – repeat surveys in 2004, 2005) ▪ Federal executive bodies data

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[59] The tasks are formulated in accordance with the Program *Reforming the Civil Service of the Russian Federation (2003 – 2005)*

	Task 3.3. Introduction of new methods of planning, financing, stimulation and evaluation of civil servants' performance; rational allocation of resources in the civil service system	▪ Share of federal executive bodies which introduced performance-based pay principle; ▪ Dynamics of public officials remuneration structure (base salary, allowances, performance-based bonuses) ▪ Share of benefits restructured into a cash form ▪ Ratio of pay and benefit levels in federal executive bodies and in the private sector ▪ Ratio of average federal public official remuneration to per-capita GDP ▪ Compression ratio for the federal civil service ▪ Public officials attitudes to the procedure of periodic attestation and its correlation with pay/promotion ▪ Number of disciplinary sanctions imposed on public officials for non-performance of their official duties	▪ Federal executive bodies data ▪ Federal Statistical Service data ▪ Comparative public-private pay and benefits surveys (DFID – federal level, 2003; WB – regional level 2004 and 2005, federal level – 2005)
	Task 3.4. Ensure openness of the civil service to the benefit of the civic society development and strengthening the state	Outcome and output performance indicators related to this task are presented under the Objective 5 "Strengthen transparency and external accountability of public administration"	
	Task 3.5. Application of efficient methods for selection of highly qualified cadre to the civil service, public officials performance evaluation, as well as creation of conditions for career growth	▪ Share of vacancies filled based on open competition results (%); ▪ Share of vacancies filled competitively by external candidates; ▪ Average number of candidates per one civil service position; ▪ Share of vacancies filled from a personnel pool; ▪ Public officials perception of selection and promotion procedures in the civil service; ▪ Share of civil servants promoted based on the results of periodic evaluation (attestation) ▪ Vacancy rate in the federal executive bodies; ▪ Turnover rates in the federal executive bodies	▪ Federal executive bodies data ▪ Public officials surveys (DFID – baseline survey in 2003, WB – repeat surveys in 2004, 2005)
	Задача 3.6 Implementation of civil servants training programs and provision of support to public officials professional development	▪ Share of civil servants who have been re-trained/attended skills upgrading courses ▪ Share of civil servants who left civil service within a year after having received re-training courses ▪ Share of civil servants training programs adjusted to take into account the modern approaches to public management *(methodology for programs assessment needs to be developed)* ▪ Evaluation of training and re-training programs quality by civil servants	▪ Federal executive bodies data ▪ Data from the Russian Academy for Civil Service (RAGS), etc. ▪ Public officials surveys (DFID – baseline survey in 2003, WB – repeat surveys in 2004, 2005)
	Task 3.7. Introduction of the	▪ Public officials perceptions of the extent of adherence to ethic norms;	▪ Public officials surveys (DFID –

	mechanisms for identification and resolution of the conflict of interests in the civil service as well as legal regulation of civil servants professional ethics	▪ Number of disciplinary sanctions against civil servants applied in cases of conflict of interest	baseline survey in 2003, WB – repeat surveys in 2004, 2005) ▪ Federal executive bodies data
	Task 3.8. Creation of optimal material and technical conditions for efficient functioning of the civil service and implementation by civil servants of their official duties	▪ Public officials perceptions of their material and technical conditions ▪ Evaluation of material and technical condition by the federal executive bodies	▪ Public officials surveys (DFID – baseline survey in 2003, WB – repeat surveys in 2004, 2005) ▪ Federal executive bodies data
	Task 3.9. Ensure development of the civil service management system	▪ Establishment and maintenance of a body in charge of coordination activities for civil service management ▪ Establishment and maintenance of federal civil servants register ▪ Preparation of regular reports on the status of civil service using civil service performance indicators	▪ Data from the body in charge of civil service management
Budget Reforms	**Objective 4: Improve efficiency and effectiveness of budget expenditures**	▪ Improvements in quality and accessibility of public services per 1 rouble of expenditures for service delivery by types of services ▪ Perception of fairness of public procurement system by business community	▪ Business surveys (BEEPS) ▪ Service delivery surveys(WB) ▪ Federal executive bodies data
	Task 4.1. Improve the quality of budget planning and increase the importance of the medium-term financial plan	▪ Deviation of budget allocations provided for in the Law *On the Federal Budget* from those in the medium-term financial plan, *%* ▪ Average deviation of actual budget expenditures (based on departmental classification) from those provided for in the Law *On the Federal Budget* (without further amendments), *%*	▪ Medium-term financial plan, Law *On the Federal Budget,* data on federal budget execution
	Task 4.2 Streamline procedures for federal budget preparation and approval	▪ Federal budget expenditures are divided into the budget of assumed commitments and the budget of new commitments	▪ Law *On the Federal Budget,* Budget Code, regulatory documents issued by Government and MinFin

Budget and Administrative Reforms	Task 4.3. Introduce strategic planning of federal executive bodies activities and reporting on performance results; expanded application of program and target-oriented methods for budget planning	▪ Share of ministries that have approved medium- or long-term strategies containing performance indicators and that report annually on the progress in achievement of their strategic goals; ▪ Share of sectoral strategies that use improvement of service delivery as performance indicators ▪ Share of budget expenditures on federal and departmental earmarked programs out of the total non-interest budget expenditures, % ▪ Share of new commitments budget formed based on evaluation of the current and the proposed budget programs, % ▪ Share of budget reports prepared by subjects of budget planning (SBP) of "good" and "excellent" quality (based on formalized evaluation criteria)	▪ MinFin data ▪ Data of the Commission for Improving Budget Expenditures Efficiency
	Task 4.4. Improve quality of budget planning at departmental level	▪ Share of SBPs with the quality of budget planning meeting the approved formalized requirements	▪ MinFin data
	Task 4.5. Estimate costs per item of results by each type of federal executive bodies activity	▪ Share of SBPs with estimation and management of budget expenditure levels per unit cost of the performance results meet the approved formalized requirements	▪ MinFin data
	Task 4.6. Improve quality and competitiveness of goods and services procurement at departmental level	▪ Share of federal executive bodies with procurement procedures meeting the approved formalized requirements covering the procurement cycle from assessing the procurement needs of goods and services till the control over implementation of the contracts concluded ▪ Share of public contracts awarded on competitive basis ▪ Share of public contracts awarded with the use of automated public procurement system ▪ Average number of tender participants for procurement of goods for public entities (for the contracts with the price of contract exceeding US$500,000) ▪ Share of contracts (with the price of contract over 1 million USD) awarded based on the results of international competitive bidding[60]	▪ MinFin data ▪ MinEcon data ▪ Federal executive bodies data
	Task 4.7. Strengthen financial management system at the level of federal executive bodies	▪ Share of SBPs with financial management systems meeting the approved formalized requirements in the area of control and management of available resources, financial commitments, and payments	▪ MinFin data
	Task 4.8. Improve operational relevance and timeliness of data	▪ Share of SBPs with financial and performance reporting systems meeting the approved formalized requirements to automated accounting and	▪ MinFin data

[60] The indicator may be used should the provisions of the Federal Law No. 97 restricting the participation of foreign companies in procurement of goods and services for public needs be amended.

		availability in the federal executive bodies' financial reporting information system and performance reporting system which is being developed	reporting, linking financial information to specific performance indicators (results), monitoring of expenditure level per performance result unit	
		Task 4.9. Develop asset management system	▪ Share of SBPs with asset management system meeting the approved formalized requirements to maintaining current assets registers, identifying the needs in maintenance, renovation, renewal of assets, management of unitary enterprises, state-owned enterprises, enterprises with state participation, etc. ▪ Ratio of incomes from state assets to costs of management of these assets (including maintenance)	▪ MinFin data
		Task 4.10. Create a system of internal financial control at the SBP level	▪ Share of SBPs with internal financial control systems meeting the approved formalized requirements to control over observance of rules and procedures, identification of inefficient business processes, etc.	▪ MinFin data
		Task 4.11. Improve budget classification of the Russian Federation and budget accounting	▪ Introduction of accrual-based budget accounting; ▪ Accounting allows to group expenditures by functions and programs	▪ Law on accounting for budget organizations ▪ MinFin data
		Objective 5. Strengthen transparency and external accountability of public administration	▪ Reduction in corruption perception indices – based on business (BEEPS) and population surveys (TI) ▪ Public officials perception of corruption levels ▪ Share of information requests sent to federal executive bodies which have been answered in time/with delay/refused	▪ NGO surveys (TI), business surveys (BEEPS) ▪ Public officials surveys ▪ NGO monitoring
Civil Service/ Administrative Reforms		Task 5.1. Improve transparency and openness of public authorities	▪ Share of federal executive bodies meeting the requirements of Government Resolution No. 98 ▪ Share of federal executive bodies which have established consultative structures (with stakeholder participation) which take part in designing development strategies ▪ Number (share) of complaints on non-provision of information which have been resolved to the benefit of persons requesting the information ▪ Number of federal executive bodies which have established anti-corruption hotlines (and dynamics of reports through these hotlines)	▪ Monitoring of federal executive bodies web-sites ▪ NGO data
		Task 5.2. Strengthen external accountability system	▪ Monitoring of implementation of recommendation made by external auditing bodies	▪ Federal executive bodies data ▪ Accounting Chamber data

3. IMPLEMENTATION OF PUBLIC ADMINISTRATION MONITORING SYSTEM IN RUSSIA: ISSUES AND APPROACHES TO POSSIBLE SOLUTIONS

The system of objectives and performance indicators for public administration reforms presented in the previous section is neither exhaustive nor perfect. However, the formulations of objectives and indicators proposed allow to draw a number of conclusions related to implementation of the public administration reforms monitoring system in Russia.

Section 2 demonstrates that one of the key methodological challenges related to evaluating the impact of governance reforms as a whole is the difficulty in identifying a strong correlation between the improvements in the public administration and the strategic objective of the reforms – supporting the achievement of socio-economic developmental objectives. Though there is some empirical evidence of correlation between the quality of governance and economic growth, defining the contribution of public management development into overall economic development may be a subject of a separate study.

Complexity in identifying objective quantitative indicators is one of specific features of the public management reforms. Therefore, quite a number of the proposed outcome performance indicators (as well as some output indicators) are based on the survey results (including surveys of population, public officials, businesses). Though such data may be quite useful (since this data evaluates the changes more objectively), such indicators should be analyzed together with statistical data as well as the data obtained from ministries and agencies so as to obtain the most adequate picture of the reform progress. The following key peculiarities associated with the use of survey data should be highlighted:

- Public opinion (as well as that of businesses) on the quality of services provided largely depends on expectations. There have been cases in the international experience when consumer expectations significantly exceeded the service providers' capacity. As a result even a significant progress in public service delivery was seen as marginal over time;

- Conducting regular surveys implies additional budget expenditures for this purpose.

Another specificity of governance reforms monitoring is a need for timely collection and processing of a large amount of data usually not collected by a national statistical office. To resolve this issue, it is necessary to create a data collection system (especially as far as the federal executive bodies' data is concerned, though when the monitoring system is adjusted to the regional level, there would be a need to collect information submitted by the regional administrations as well).

Experience of other countries, especially that of Finland and the UK, also suggests a need to establish a system to manage the implementation of public sector reforms. Such system should be in charge of monitoring and assessment of public management reforms programs and prepare regular internal and external reporting on the progress achieved.