

Leadership for a high performing civil service

Towards a senior civil service systems
in OECD countries

Daniel Gerson

OECD Working Papers on Public
Governance No. 40

Leadership for a High Performing Public Service

Towards a Senior Civil Service Systems in OECD countries



Abstract

Public service leaders – senior civil servants who lead and improve major government functions – are at the heart of government effectiveness. They translate political direction into the policies and programmes that keep citizens healthy, safe, and economically productive. In order to do so, however, they need to have both the right skills and institutional support to deploy them effectively. This paper summarises insights from a recently completed project that addressed this challenge. First, the paper identifies four leadership capabilities that are necessary to respond to complex policy challenges: values-based leadership, open inclusion, organisational stewardship, and networked collaboration. Second, the paper outlines a model for assessing senior civil service systems, i.e. the policies, processes and tools needed to develop these capabilities and support leaders in using them. The paper concludes with recommendations to help governments take a systematic approach to the development and management of their public service leaders.

Acknowledgements

The paper is the result of a project that developed nine case studies and a series of workshops that were conducted between 2017 and 2019. It was drafted by Daniel Gerson, Head, Public Employment and Management, Public Management and Budgeting Division, Public Governance Directorate.. Case studies were prepared by Daniel Gerson, Natalia Nolan-Flecha, Cristina Mendes, Laura Skoratko, Kevin Richman, Donal Mulligan and Inchul Shin, OECD Secretariat.

The OECD wishes to thank all of the participants and contributors from participating countries who made this project possible, providing support and access for the development of the case studies and hosting of the meetings. In particular the OECD wishes to thank Jean-Francois Fleury and Carl Trottier (Canada), Eve Limbach-Pirne (Estonia), Katju Holkeiri and Sirpa Kekkonen (Finland), Jean-Marc Chneider (France), Lucy Fallon-Byrne (Ireland), Iris Nehemia and Almog Sharav (Israel), Pan Suk Kim and Inchul Shin (Korea), Marjolein Voslamber and Maurits van Lelyveld (Netherlands), Graeme Head and Scott Johnston (New South Wales, Australia), and Simon Claydon (United Kingdom).

Table of contents

Abstract	2
Acknowledgements	3
Executive summary	6
1 Introduction: Public Service Leadership in a High Performing Civil Service	8
Public service leadership and capability – a priority in OECD countries	10
Recommendation on Public Service Leadership and Capability	12
Public service leadership and the future of work	13
Nine case studies on the senior civil service in OECD countries	15
2 Leadership capabilities for public sector performance	18
Leadership capabilities, competencies and styles	19
Four leadership capabilities for a high performing civil service	20
Values-based leadership	21
Open Inclusion	22
Organisational stewardship	24
Networked collaboration	27
3 Senior Civil Service Systems	31
Senior civil service systems: towards an OECD model	32
Four types of Senior Civil Service Systems	33
Axis 1: Capable Senior Civil Servants	34
Leadership competencies and job profiles	34
Selection and appointment of the right people	36
Career management and mobility to develop the pipeline	44
Diversity among senior civil servants	47
Axis 2: An enabling operating environment	50
Objectives, Autonomy, and Accountability for results	50
Learning opportunities and peer support	53
Management tools that are fit for purpose	57
Stable and effective political-administrative interface	60
Conclusion: Public Service Leadership and Capability recommendations and next steps	61
Looking forward	62
Annex 3.A. Senior Civil Service System framework for reflection	64
References	67

Tables

Annex Table 3.A.1. A Senior Civil Service System self-assessment tool	64
---	----

Figures

Figure 1.1. OECD Recommendation on Public Service Leadership and Capability	13
1. Figure 2.1. Four leadership capabilities	20
Figure 2.2. Six skills areas for public sector innovation	25
Figure 2.3. The Dutch leadership competency framework	27
Figure 3.1. Use of separate HRM practices for senior civil servants in central government, 2016	31
Figure 3.2. Differences between the employment framework for senior managers and other civil servants (number of OECD countries)	32
Figure 3.3. Senior Civil Service System matrix	33
Figure 3.4. Estonia's leadership competency framework	35
Figure 3.5. UK Success Profile Framework	36
Figure 3.6. Pathways to senior management positions in OECD countries	37
Figure 3.7. Appointing Senior Civil Servants	39
Figure 3.8. Influence in Senior Civil Service Staffing	41
Figure 3.9. Turnover after change in government	42
Figure 3.10. Merit in political appointments	43
Figure 3.11. Features of the performance regime for senior managers	52

Boxes

Box 1.1. Definition of Leadership and Senior Civil Servants	9
Box 1.2. The changing role of senior civil servants	10
Box 1.3. The link between leadership and employee engagement	11
Box 1.4. The OECD Recommendation of the Council on Public Service Leadership and Capability	13
Box 1.5. The Future of Work in the Public Service	14
Box 1.6. Nine case studies conducted during the project.	16
Box 2.1. Values-based leadership in the Dutch case study	21
Box 2.2. Open Inclusion in Canada	23
Box 2.3. Organisational Stewardship in the Irish case study	25
Box 2.4. Societal partners in the Dutch vision for public leadership	27
Box 2.5. Networked collaboration in Finland	29
Box 3.1. Competency models and success profiles in Estonia and the United Kingdom	35
Box 3.2. Korea's Competency Assessment for Open Positions	38
Box 3.3. The Assessors of the Korean competency assessment system	40
Box 3.4. Towards and Senior Civil Service System in Brazil	43
Box 3.5. Pipeline of future leaders in Estonia	44
Box 3.6. France's Public Innovation Chair (CIP): a new approach to public policies	45
Box 3.7. Canada's Executive Talent Management Process	46
Box 3.8. Towards Next-Generation Diversity and Inclusion Strategies	48
Box 3.9. Common biases which can impact Diversity of Senior Civil Servants	48
Box 3.10. Ensuring diversity in the New South Wales (Australia) public service	49
Box 3.11. Assigning objectives and holding SCS accountable for transversal results	51
Box 3.12. Networks and peer support for Senior Civil Servants in select countries	54
Box 3.13. Building leaders' skills for digital transformation	56
Box 3.14. Leading a data driven public sector	59

Executive summary

Governments face complex multi-dimensional challenges, which depend on the quality of management and leadership in the ranks of their organisations. The global coronavirus pandemic, for example, calls on public service leaders to take quick decisions to ensure the delivery of essential public services while protecting citizens and employees. While the leadership of elected officials tends to be in the spotlight, professional public service leaders have been working tirelessly behind the scenes to ensure that the vast and complex government machinery is able to keep populations healthy, safe and economically supported.

These public service leaders – senior civil servants who lead and improve major government functions – are the focus of this paper, and of the recent *OECD Recommendation on Public Service Leadership and Capability* (PSLC). The PSLC contains 14 principles for a fit-for-purpose public service, which include specific recommendation on developing leadership capabilities for innovative policy and service design. In order to develop new, actionable insights in these areas, a group representing 10 OECD countries worked together from 2017-2019 to develop and discuss nine case studies on emerging leadership challenges in central governments. These case studies explore two themes:

1. Leadership capabilities (i.e. skills, competencies, behaviours, styles) that are necessary to respond to complex policy challenges.
2. The policies, processes and tools needed to develop these capabilities and support senior civil servants (SCS) in using them (i.e. the senior civil service system).

The nine case studies identified various common leadership capabilities despite a wide variation in topics and national contexts. These have been grouped into the following four capabilities, detailed in Chapter 2 of this paper:

1. **Values-based leadership:** Individual SCS are required to negotiate multiple and often competing values that guide their decision making towards the public interest.
2. **Open inclusion:** Successful leaders challenge their own perceptions by searching for voices and perspectives beyond those they normally hear from (open) and ensuring psychological safety for these voices to contribute to their leadership challenges (inclusion).
3. **Organisational stewardship:** SCS reinforce a trust- and values-based culture and equip their workforce with the right skills, tools and working environments.
4. **Networked Collaboration:** Finally, looking beyond their own organisation, successful SCS are adept at collaborating through networks, with other government actors, and beyond.

The third chapter of this paper outlines a model to analyse senior civil service systems. These systems align policies processes and tools to equip senior civil servants with the right capabilities and operating environments to achieve government objectives. The OECD model proposes two main groups of functions: the first set gets capable people into leadership positions, and the second provides SCS an enabling environment once in position.

In order to get the right people into the senior civil service, the paper makes the following recommendations:

- SCS job profiles should identify leadership capabilities appropriate to the position, often aligned to leadership competency frameworks.
- Selection and appointment mechanisms should be appropriate to the position, in order to assess the capabilities required, and ensure the right fit between the leader and the job.
- Pipeline development should ensure that there is a potential pool of candidates with the abilities and motivation required to take up these positions.
- Additionally, these tools should not only be used to bring in the best individuals, but also to ensure a diversity of people and backgrounds in the senior civil service as a whole.

However, many of the case studies show that highly skilled SCS still fall short of their goals due to environmental constraints. Therefore, it is necessary to ensure that good leaders, once in place, have the autonomy, tools, support, and accountability needed to effectively use their leadership capabilities. To do this, the paper recommends the following:

- Leadership objectives should provide a clear sense of direction for leaders, aligned to the political objectives of the government, and be matched with appropriate levels of autonomy and accountability to achieve them.
- SCS need to learn as they go, and should have access to tailored learning opportunities that include networking, peer support, mentoring, and coaching.
- SCS also require management tools that are fit-for-purpose, including financial tools that offer an appropriate level of information and flexibility; HR systems that help SCS access the skills and expertise they need; data and information to support decision-making; and communications tools to connect to, and lead through, broader networks.
- The political administrative interface requires trust and stability, so that SCS have a clear mandate and direction to lead towards; and a common recognition and understanding of roles and responsibilities between the various authorities across the governance system.

The report also raises many new -- and old -- questions about public leadership and the senior civil service. Some of the key areas identified for further exploration include:

- Sharing objectives and accountability – how to align systems for better collaboration within and across sectors, e.g. in the context of achieving the SDGs?
- Managing the political administrative interface – how can the independence of the senior civil service be balanced with the need for political responsiveness and public accountability?
- Private sector leadership – how to get the balance right between external and internal recruitment into the senior civil service, and how to ensure that both groups are able to perform effectively?

1 Introduction: Public Service Leadership in a High Performing Civil Service

Public service leadership has never been so challenging or complex. Public service leaders work across organisational boundaries, sectors and jurisdictions to tackle ongoing and emergent policy challenges and improve the impact of public services. They have to make space for innovation while managing risk and being accountable for results. They must support fast-moving political agendas, manage and transform vast public organisations, motivate and inspire their workforces and be trusted partners to citizens and an ever-growing list of partners and stakeholders. All of this while promoting the highest level of personal and professional ethics and integrity.

These above challenges are made more acute in a context of increasingly fast-paced and disruptive change. The coronavirus (COVID-19) crisis has shaken up many old assumptions of public service working methods. In many cases, traditional silos have been dismantled and replaced with agile governance structures, requiring fast joined-up decision-making in the face of uncertainty, based on scarce and unreliable evidence. Effective public service leaders rose to the challenge, leveraging new technologies and managing their workforces in new ways to protect their well-being while maintaining and boosting the delivery of essential services. These experiences are proof that committed and creative public service leaders are able to achieve great innovations when the right people, with the right resources and support come together to solve public problems.

Box 1.1. Definition of Leadership and Senior Civil Servants

This report focuses on Senior Civil Servants who occupy the highest-ranking positions of administrative bureaucracies and who lead public servants in the pursuit of governmental objectives.

The word senior denotes rank, and is not a reference to age or seniority in terms of length of career or tenure. In the majority of countries this group includes the top two levels of the administration under the Minister, but in some countries this group includes additional layers beneath. Senior civil servants can be younger and have fewer years of experience than middle managers if they are, in fact, their superiors in terms of hierarchy.

Senior Civil Servants are also separate from elected officials, although they may be appointed by them. In this report, references to “leadership” refers to administrative and institutional leadership. This report does not look at the leadership of Ministers, or their political cabinet.

The concept of leadership, in this report, refers to the way senior civil servants work towards governance objectives through/with others. This implies two basic dimensions. First, leadership is about achieving objectives which change and improve upon the status quo, implying some kind of change, innovation and/or transformation. Second, leaders don’t achieve objectives alone. Leadership is an interpersonal phenomenon, and so leadership is about the relationship between individuals or groups.

The authors recognise that many other definitions of leadership exist, and that leadership is often exerted by others within and outside of the traditional civil service hierarchy. However this report focuses on the senior civil service as defined above, since they play a pivotal role in creating the environmental conditions for other kinds of leadership to emerge. This is further explored in Chapter 2 and 3.

In order to further explore modern challenges of public leadership, and develop new, actionable insights, a group representing 10 OECD countries worked together from 2017-2019 to develop and discuss nine case studies on emerging leadership challenges in central governments. These case studies explore the leadership capabilities (i.e. skills, competencies, behaviours, styles) that are necessary to respond to complex policy challenges. They also identify the kinds of policies, processes and tools needed to develop these capabilities and support Senior Civil Servants (SCS) to use them. This paper takes stock of the learnings and insights developed through this project.

Box 1.2. The changing role of senior civil servants

Bryson Crosby and Bloomberg (2014) chart the changing role of public managers through three paradigms of public management: traditional public administration, new public management, and a “new approach”. The following excerpts illustrate the scholarship around this phenomenon and how perceptions around the role of Senior Civil Servants vis-à-vis elected officials is shifting in this new paradigm:

In traditional public administration, elected officials set goals, and implementation is up to public servants, overseen by elected officials’ and senior administrators... In contrast, in the new approach, both elected officials and public managers are charged with creating public value so that what the public cares about most is addressed effectively ...

... Policy makers and public managers are also encouraged to consider the full array of alternative delivery mechanisms and choose among them based on pragmatic criteria. This often means helping build cross-sector collaborations and engaging citizens to achieve mutually agreed objectives. Public managers’ role thus goes well beyond that in traditional public administration or New Public Management; they are presumed able to help create and guide networks of deliberation and delivery and help maintain and enhance the overall effectiveness, capacity, and accountability of the system...

...In traditional public administration, public managers have limited discretion; ... In the emerging approach, discretion is needed, but it is constrained by law, democratic and constitutional values, and a broad approach to accountability. Accountability becomes multifaceted and not just hierarchical (as in traditional public administration) or more market driven (as in New Public Management), as public servants must attend to law, community values, political norms, professional standards, and citizen interests.

Source: John M. Bryson, Barbara C. Crosby, Laura Bloomberg. “Public Value Governance: Moving Beyond Traditional Public Administration and the New Public Management”. *Public Administration Review*, Vol. 74, Iss. 4, pp. 445–456.

Public service leadership and capability – a priority in OECD countries

OECD countries invest significantly in their public sector workforces. In 2017, compensation of general government employees accounted for, on average, 9.2% GDP in and 22.8% of total public expenditure of OECD countries (OECD, 2019^[1]). An investment of this magnitude needs to be carefully managed to ensure it provide the expected return of policies and services that improve the lives and prosperity of citizens. This requires skilled and professional public service leadership.

There is general agreement across the academic research community that good leadership in the public sector results in better organisational performance, efficiency and productivity (e.g. (Orazi, Turrini and Valotti, 2013^[2]); (Van Wart, 2013^[3]); (Fernandez, Cho and Perry, 2010^[4]); (Park and Rainey, 2008^[5])). Effective leaders can drive efficiency and productivity by creating the right conditions for employee engagement, a concept that is often measured and tracked through employee surveys. Engaged employees are shown to perform better, and to be more productive and more innovative. (see for example (OECD, 2016^[6]))

Box 1.3. The link between leadership and employee engagement

Despite the differences in measuring employee engagement, studies conducted at the national level and based on employee surveys indicate that senior leadership is a key driver of employee engagement in the public service.

Australia: Based on the Australian Public Service employee census, effective leadership is a key contributor to employee engagement. When asked whether they thought senior leaders in their organisation were sufficiently visible, employees who strongly agreed showed substantially higher scores (double in some cases) on all components of employee engagement. Employees also value the opportunity to interact with their leaders in a meaningful way. In the Australian Public Service, leaders who engage their employees in how to deal with the challenges confronting their organisation have a very positive effect on the engagement levels of their employees (Australian Public Service Commission, 2013).

Canada: Employees who had positive opinions of senior management tended to express higher levels of engagement, particularly satisfaction with and commitment to their organisation. The most notable differences in levels of engagement are between employees who have confidence in senior management and those who do not (Treasury Board of Canada, 2011).

Ireland: Analysis based on the 2015 Civil Service Employee Engagement Survey revealed that the effectiveness of senior leadership was among the five key drivers of employee engagement along with employees' feeling that their job was meaningful, job skills match, competence and organisational support (Government of Ireland, 2016).

United Kingdom: Statistical analysis over several years of the UK People Survey identifies leadership and effective change management as the strongest driver of employee engagement, followed by the nature of the work and an employee's relationship with their direct supervisor.

United States: The analysis of the 2016 Employee Viewpoint Survey revealed that important drivers of engagement were related to the ability of senior leaders to support fairness and protect employees from arbitrary actions, favoritism, political coercion and reprisal; promote and support collaborative communication and teamwork in accomplishing goals and objectives; and support an effective recognition and reward system for good performance.

Source: OECD (2016a), Engaging Public Employees for a High Performing Civil Service, <http://dx.doi.org/10.1787/9789264267190-en>.

OECD countries also aim to improve trust in public institutions. Public leaders play a very important role in setting the ethical tone of an organisation and imparting the values that guide decision-making at all levels (OECD, 2020^[7]); (Treviño, Hartman and Brown, 2000^[8]). Recent research suggests that the professionalisation of the Senior Civil Service is one of the most important factors in reducing corruption risks in bureaucratic environments (Charron et al., 2017^[9]). Merit-based selection can also directly improve public trust in government institutions, if citizens believe that the public officials who are leading these institutions are there because they have the needed competencies, experience, values and ethics. (Charron, Dahlström and Lapuente, 2016^[10])

Perhaps most important today, good leadership is essential in times of crisis. This coronavirus crisis has put public service leadership front and centre, setting a new bar for agile decision making with unreliable data and evidence, employee engagement in challenging (ie remote) conditions, and joined-up coordination across policy silos and levels of government. While much of the public focus is on political leadership during this global pandemic, it's the institutional leadership behind the scenes that is

coordinating the delivery of essential public services that keep citizens healthy, safe and in economic security.

Recommendation on Public Service Leadership and Capability

The critical importance of ensuring a well-led public administration inspired OECD countries to develop the 2019 Recommendation of the Council on Public Service Leadership and Capability (the PSLC, see Box 1.2). The PSLC sets out 14 commonly shared principles that OECD countries have agreed to work towards to ensure their public services are fit-for-purpose, responsive and resilient. They focus on the need to develop trust-based organisational cultures centred on public values and citizen service. They call for an inclusive, proactive and innovative public service, which takes a long-term perspective to the design and delivery of public functions.

These are all leadership challenges, and rest on the establishment of a professional and high performing senior civil service. To achieve this, the PSLC explicitly recommends adherents to, “Build leadership capability in the public service, in particular through:

- a. Clarifying the expectations incumbent upon senior-level public servants to be politically impartial leaders of public organisations, trusted to deliver on the priorities of the government, and uphold and embody the highest standards of integrity without fear of politically-motivated retribution;
- b. Considering merit-based criteria and transparent procedures in the appointment of senior-level public servants, and holding them accountable for performance;
- c. Ensuring senior-level public servants have the mandate, competencies, and conditions necessary to provide impartial evidence-informed advice and speak truth to power; and
- d. Developing the leadership capabilities of current and potential senior-level public servants.” (OECD, n.d.^[11])

These principles highlight that skilled leadership, ensured through merit-based processes and ongoing learning and development, is necessary but insufficient. The context and operating environment also plays a significant role, enabling leaders to put their skills to use.

Box 1.4. The OECD Recommendation of the Council on Public Service Leadership and Capability

Recommendations of the OECD Council make clear statements about the importance of an area and its contribution to core public objectives. They are based on agreed-upon principles of good practice and aspirational goals. The OECD's governing body, the Council, has the power to adopt Recommendations which are the result of the substantive work carried out in the OECD's committees. The end products include international norms and standards, best practices, and policy guidelines.

Recommendations are not legally binding, but practice accords them great moral force as representing the political will of member countries and there is an expectation that member countries will do their utmost to implement a Recommendation.

The Recommendation of the Council on Public Service Leadership and Capability is based on a set of commonly shared principles which have been developed in close consultation with OECD countries. This included a broad public consultation, which generated a high level of input from public servants, citizens and experts from around the world. This Recommendation joins a broad range of governance-related Recommendations on themes such as regulatory policy making, public sector integrity, budgetary governance, digital government strategies, public procurement, open government and gender equality in public life.

The Recommendation presents 14 principles for a fit-for-purpose public service under 3 main pillars, as shown in figure below. The full text of the Recommendation is available at: <https://www.oecd.org/gov/pem/recommendation-on-public-service-leadership-and-capability.htm>.

Figure 1.1. OECD Recommendation on Public Service Leadership and Capability

1 Values-driven culture and leadership	2 Skilled and effective public servants	3 Responsive and adaptive employment systems
<ul style="list-style-type: none"> 1. Defined values 2. Capable leadership 3. Inclusive and safe 4. Proactive and innovative 	<ul style="list-style-type: none"> 5. Right skills and competencies 6. Attractive employer 7. Merit-based 8. Learning culture 9. Performance-oriented 	<ul style="list-style-type: none"> 10. System stewardship 11. Strategic approach 12. Mobile and adaptive 13. Appropriate terms and conditions 14. Employee voice

Public service leadership and the future of work

The future of work in the public service raises many questions about the role of technology and innovation in government, and how the public service needs to adapt to fast changing and unforeseen circumstance and crises. While nobody can predict the future, the OECD has developed a number of assumptions based

on research, evidence, country experience and expert discussions. These suggest a massive workforce challenge in preparing the ground for effective use of new technologies and public sector innovation, by making public employment more forward looking, flexible to withstand crises, and fulfilling for civil servants. The challenges are summarised in Box 1.5.

Box 1.5. The Future of Work in the Public Service

The changes shaping the future of work are already being felt, whether because of technological disruptions, unforeseen crises such as the global coronavirus pandemic, or evolving citizens' expectations. While no one can predict all the upcoming changes, the increasingly rapid pace of change seems more and more certain. This situation is a call for action, for a public service that can efficiently identify, adapt to, and overcome the challenges of tomorrow. As the changes shaping the future of work will affect all organisational levels in depth, it requires strategic analysis of both the organisational changes needed and the way people can make the most out of it.

The forthcoming OECD paper on the Future of Work in the Public Service shows how public services will need to become more:

- **Forward looking:** In a fast-changing employment environment, with scarce skills and resources on one side and unpredictable changes on the other, robust strategic workforce planning based on foresight and resilience becomes a cornerstone of public employment policies. This suggests the need to be forward looking in terms of identifying skills, ensuring learning opportunities and managing knowledge.
- **Flexible:** Most civil service systems were established to emphasise stability and predictability, but agile responses to the coronavirus crisis have proven that flexible people management is possible in the face of complex, fast-moving public sector crises. This now presents a new opportunity to implement greater flexibility into standard operating procedures to enable the public sector to adapt as needed while maintaining transparency and accountability.
- **Fulfilling:** Public services will be required to be ever more competitive to attract scarce skill sets, in a tight labour market with ongoing fiscal pressures. This suggests the need to focus on providing fulfilling employment to an increasingly diverse labour market. This requires a focus on engagement and performance, leadership and work design to ensure the public servants experience the value and impact of their work.

Regardless of what shape the future of work takes in public services of OECD countries, it must be enabled by a foundation of strong leadership: clear values, mission, objectives that allow the worker to guide his/her work independently without daily or in person management. This is reinforced through communications, leadership by example, skilled managers and performance processes. In short – the future of work will also depend on the future of leadership. For example,

1. The goal of public service leadership will increasingly be to solve public policy challenges in innovative ways, supported by digital technology. This suggests the need to for new capabilities (ie. skills, behaviours, perspectives, knowledge, mindsets, etc.) within the Senior Civil Service. It implies organisational structures and processes capable of facilitating that change. And it means working in partnerships through an innovation-ready workforce across formal organisational boundaries.
2. Public service leaders will lead increasingly diverse organisations with employees from a range of backgrounds on a range of contracts and in a variety of physical locations, flowing more fluidly in and out of organisations. This raises challenges to inculcate public values and an inclusive organisational culture.

3. Public leadership will become increasingly data-driven, with large sets of workforce and performance data driving insights and informing management responses. This suggests increased opportunity for evidence-informed decision-making, and the need to invest in skills to support, and sometime challenge it.
4. A fourth leadership challenge will come from the need to be more involved than ever in workforce and organisational development. Leaders will play central role in establishing learning cultures so that existing employees are provided with opportunities to learn as they go. Leaders will also play an increasingly visible role as organisational ambassadors, front and centre in the war for talent, articulating the value proposition of the public sector employer and attracting needed skill sets into the public service.

Nine case studies on the senior civil service in OECD countries

This paper is the result of a project in which nine countries invited the OECD to develop case studies on specific leadership challenges they faced. The case studies were developed through different methods, all based on close interaction with various senior civil servants in the participating countries. These nine case studies were also used to spark discussion and debate in four workshops which were attended by all of the participating countries.

Some of the case studies looked at particular leadership capabilities. For example, Finland asked the OECD to identify challenges and opportunities to promote collaboration across silos; the Netherlands wanted to explore a similar challenge of how to promote senior civil servants as societal partners; Canada wanted to explore inclusive leadership; and Ireland and France wanted to look at innovation and digital leadership. Although all of these case studies were conducted before the coronavirus crisis, the topics they look at are in many ways reinforced by this crisis, which puts a high premium on joined up delivery, innovation and inclusion.

Other case studies focus on particular aspects of senior civil service systems. The Korean case study looks at leadership assessment processes for entry into the senior civil service; the Estonian case explores the future of leadership development; and the Israeli case looks at the role of senior civil servants as organisational ambassadors in the recruitment process.

In all of these case studies, the authors aimed to identify two complementary areas of analysis – the leadership skills and capabilities required, and the institutional structures and interventions that enable or hinder them to use those skills. The case studies show that often, public service leaders with the right skills and motivations have a hard time deploying these due to the institutional constraints of their working environment. Some of these constraints are natural. Public service leadership will always be framed by its political environment, which demands high levels of transparency, accountability, and risk management; constraints on resource allocation; and multiple complex objectives that are hard to track through timely feedback.

Many of these constraints may also be due to management systems that could be updated or improved. The parameters and procedures used to manage the Senior Civil Service – such as appointment processes, performance assessment, term limits, etc – may be reinforcing the wrong kinds of leadership. It is also possible that the systems and tools that SCS use to achieve results are in need of updating. For example, rigid or badly used HR systems may limit their ability to access needed skills; budget systems may make it difficult to work across organisational silos and share accountability for results; or data systems may not be able to provide SCS with timely information for decision-making.

This paper will proceed as follows. The next chapter identifies and explores four common leadership capabilities that emerge from the case studies and the exchanges they generated in workshops associated to this project. The following chapter outlines the elements of a senior civil service system, which countries

can implement to ensure these capabilities are developed and used by their senior civil servants. The report concludes with a presentation of a questionnaire that can be used to generate reflection on the institutional mechanisms needed to ensure that SCS have the right skills, and the right positions to put them to best use.

Box 1.6. Nine case studies conducted during the project.

Finland: Leadership for Systems Change - Building leadership capabilities for implementing horizontal priorities in Finland

The Finnish case study looks at how Directors General work collaboratively across sectors to achieve common goals for society. The case study explores two sets of issues which challenge the implementation of horizontal working methods through vertical ministries: first, leaders' capabilities to balance horizontal and vertical priorities, and to adapt to new ways of working; second, a range of institutional factors outside the leadership capability realm such as resources allocations for horizontal projects, structural arrangements, and accountability mechanisms.

Ireland: Building Leadership Capabilities for Innovation in a Digital Government - The case of senior leadership in the Irish Public Service

Ireland intends to boost the innovation culture in its public service organisations and strengthen leadership for empowering innovation. To this end, the Irish Government piloted a learning-oriented workshop developed by the OECD among a group of its senior public service leaders in order to better understand, frame, and develop sustainable innovative organizations. This case study is the output of this workshop which brings together existing OECD work on digital transformation, senior public leadership, and core skills for public sector innovation to explore how Ireland's senior leaders support innovation within their organisations and what interventions could build their capabilities – and the capabilities of their workforce – to drive more innovation.

France: Building Capacity to Lead the Digital Transformation: a new mind-set in the French civil service

This case study discusses how France is preparing its senior civil servants to support and steer digital technologies to create public value, namely in the context of France's strategy for the future of public service, Administration Publique 2022. As the fast pace of digital transformation is placing new expectations on SCS, various French public organisations are piloting initiatives to strengthen SCS capacity to lead the digital transformation. This case study presents some of these initiatives.

Australia: Inclusive Leadership in the Public Service of New South Wales, Australia

This case study looks at the leadership challenges of designing and implementing 'next generation' diversity and inclusion (D&I) strategies in the state of New South Wales (NSW), Australia. Specifically, it looks at how inclusive leaders in the NSW public sector workforce are building evidence-based approaches to achieving D&I targets, are embedding D&I throughout the employee lifecycle to ensure coherence and broaden the reach of policies, are tackling implementation gaps by "nudging" towards change, and are building sound governance structures that promote accountability for results.

Canada: Building Leadership Competencies on Diversity and Inclusion

The Canadian case study looks at how senior civil servants develop an inclusive culture to achieve better organisational performance and health. These "inclusive leaders" need to have a strong grasp of the changing notions of diversity, the past barriers to implementation, and the skills necessary to translate diversity and inclusion into beneficial outcomes. The case study suggests a range of areas

that Canada can explore to build on their strong commitment to D&I agenda, including ways of expanding the diversity of perspective and experience in the public service.

Israel: Working with stakeholders to build a talented workforce, the role of the Senior Civil Servants

As some organisations in the public sector struggle to attract talented civil servants, an emerging practice is the active involvement of senior civil servants (SCS) in key aspects of recruitment such as candidate outreach, job profiling, and interviewing/assessment. This case study focusses on four examples from the Israeli Civil Service where SCS have played an active role in bringing in needed skills to their organisation. They primarily achieved this through either encouraging candidates with sought-after skills to apply to work in government and/or through taking a greater personal role in the process of job profiling, testing and hiring the candidates.

Netherlands: Senior Civil Servants as Societal Partners

More and more, Dutch senior civil servants are finding that they need to work with external stakeholders (other levels of government, private sector agents, civil society organisations and even individual citizens) in order to address a wide range of public policy challenges. This case study explores the changing context/landscape in which Dutch senior civil servants currently work, and discusses how they could improve their roles as societal partners to provide public value through greater engagement and co-operation with stakeholders.

Estonia: Leadership prepared for the challenges of today and the future

This case study uses the experience of Estonia and the Top Civil Service Excellence Centre to explore questions about the future of leadership development in a public sector system. What is the role of continuous development? Who is responsible? How do we measure the results and make it sustainable? How does this link to the overall leadership system and lifecycle (recruitment, development, retention)?

Korea's Competency Assessment Test for Senior Civil Service

This case study looks at how Korea has implemented a competency model and assessment process. The case study shows how Korea has used its competency assessment system not only to improve the leadership competencies of its senior civil servants, but as a tool to transform the culture of the civil service. The case study introduces Korea's civil service, describes the model and the assessment process, and concludes with reflections on opportunities for further development.

2 Leadership capabilities for public sector performance

Leadership is a word that everyone understands, but which is rather hard to define. In the first chapter (box 1.1) leadership is defined as the act of working towards governance objectives through and with others. In the public sector, the concept of leadership is further complicated by the political nature of government, which requires some distinction between the leadership performed by political authorities (e.g. the Minister) and leadership from within the public administration.

This project looks at administrative leadership in the public sector. Elected politicians, ministers, and their direct cabinets, are not the focus of research, but add an important element of context. Political leadership often guides and constrains administrative leaders in areas such as setting strategic policy direction, budget and resource allocation, or engaging directly with citizens on various politically sensitive issues. The line between what is political and what is administrative is not always clear, subject to change over time, and will differ from one national system to another.

An established theory of human performance states that people can achieve their goals when they have the abilities, motivation and opportunities required. (Boxall and Purcell, 2011). This is particularly applicable to work contexts and has a double application to the analysis of public service leadership. First, this framework helps to understand the performance of public sector leaders themselves:

1. Abilities: What are the skill, knowledge and competencies they need to have?
2. Motivation: What motivates effective public leaders? How do public values guide leaders in their own behaviour and decision-making?
3. Opportunity: How does the operational environment enable leaders to put their skills and motivation to best use? How can the systems of governance be best aligned to support leaders to make a difference?

The framework can also be applied to leaders' roles in developing their own workforce. After all, a leader will only be as strong as their workforce. So how do leaders ensure that their workforces have the necessary abilities? How do they motivate them to work towards the right goals? And how do they ensure they provide their workforce with the right opportunities to make a difference and participate in improvement and innovation? These questions themselves go to the heart of effective public leadership and are further explored in the discussion on organisational stewardship below.

This chapter will look at the first two elements above: abilities and motivation. It will do this based on an analysis of the 9 case studies which identify four common leadership capabilities used by public leaders to achieve complex governance objectives: a) values-based leadership, b) open inclusion, c) organisational stewardship and d) networked collaboration. The third element, on Opportunities, is further discussed in the next chapter.

Leadership capabilities, competencies and styles

Leadership is often referenced as a trait or a skill set related to the ability to convince, motivate and guide a group towards a desired outcome. This skill set includes technical skills, conceptual skills, interpersonal skills, emotional intelligence and social intelligence. (Haq, 2011^[12]) This has led to a proliferation of academics and management consultants defining and promoting different combinations of leadership skills that make up distinct styles.

One of the most established sets of leadership research is the transactional-transformational leadership paradigm, which, according to Bass (1997^[13]) (1985^[14]) is a proven universal phenomenon in all cultures. At its most basic, leaders and followers enter into an exchange through a process of negotiation. Leaders then reward or punish followers depending on the level and quality of their achievements. This is transactional leadership. In contrast, transformational leadership recognises the role of intrinsic motivation in the leader-follower relationship. “Authentic transformational leaders motivate followers to work for transcendental goals that go beyond immediate self-interests” (Bass, 1997^[13]). Bass identifies the following components of transformational leadership:

1. Idealised influence (charisma): leaders display conviction; emphasise trust; take stands on difficult issues; present their most important values; and emphasise the importance of purpose, commitment, and the ethical consequences of decisions.
2. Inspirational motivation: leaders articulate an appealing vision of the future, challenge followers with high standards, talk optimistically with enthusiasm, and provide encouragement and meaning for what needs to be done.
3. Intellectual stimulation: leaders question old assumptions, traditions, and beliefs; stimulate in others new perspectives and ways of doing things; and encourage the expression of ideas and reasons.
4. Individualised consideration: leaders deal with others as individuals; consider their individual needs, abilities, and aspirations; listen attentively; further their development; advise; teach; and coach.

In the public sector, the practice of studying, defining and attempting to replicate good leadership was formalised in the 1980s and 1990s, and over the past 20 years, there has been an evolution in the understanding and expectation of desirable public sector leadership. While a “tough-talking, take-charge, individualistic view of public leadership is alive and well through the world” (Crosby and Bryson, 2018^[15]), a growing body of evidence shows that the top-down assumptions of the transactional/transformation dichotomy are often not well adapted to the realities of working in increasingly network-based public sector activities. So new categories of leadership styles tend to emphasise its relational focus and collective attributes. (Ospina, 2017^[16])

Richard Wilson (2013^[17]) defines two broad categories of leaders: Heroes and Anti-heroes. “A heroic leader sees the world with great clarity, knows what they want to achieve and has the self-belief and drive to make it happen.” Wilson suggests that this kind of leadership is well suited to tackling well defined challenges, but the hero’s confidence and own expertise makes them more narrow minded, incapable of seeing the world from other perspectives. Adding more technical expertise to a heroic leader will not change this fundamental flaw.

Wilson’s “Anti-hero” adapts their leadership style according to circumstances. Their leadership is inherently sensitive to other people and aware of the limitations of their own knowledge and skills. The five pillars of anti-heroic leadership are empathy, humility, flexibility, acknowledgement of uncertainty and not knowing, and self-awareness i.e. being highly aware of their core values and behaviours.

To become an anti-hero, Wilson argues that leaders need to understand and undertake transformational learning. Rather than building technical expertise in the leaders themselves (“learning more stuff or

information”), an Anti-hero will understand how to bring it into their organisation, how to nurture it, and how to ensure that it guides their own leadership. Where a heroic leader may see contradictory advice from experts below them as a threat to their own expertise and leadership, the anti-hero is strengthened by it and structures their organisation and approach around it by fostering communications, collaboration and trust.

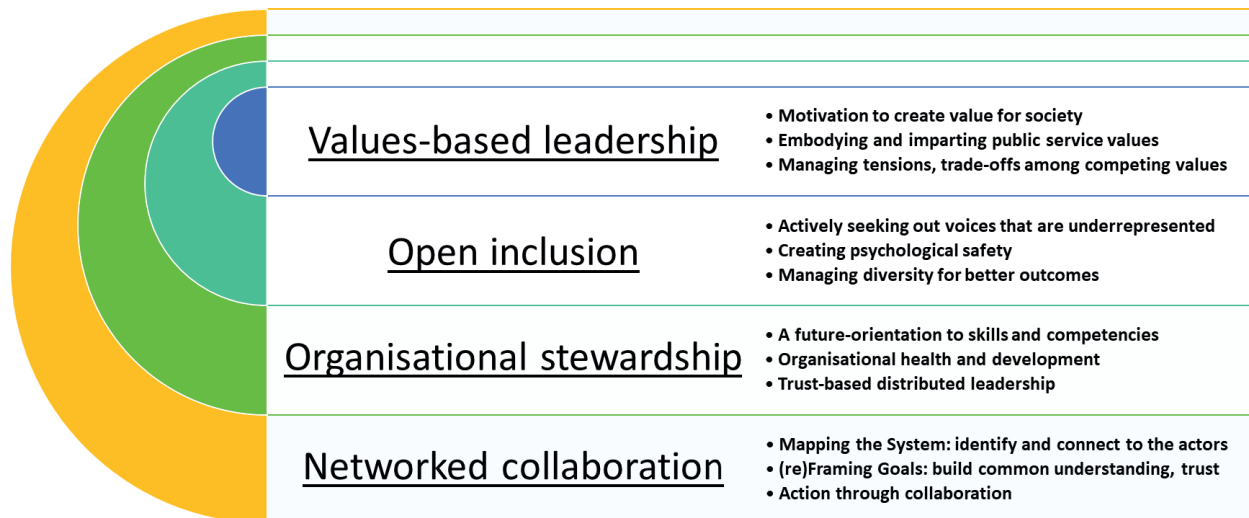
Four leadership capabilities for a high performing civil service

The case studies developed for this project had an initial objective of providing insight into the leadership capabilities required of Senior Civil Servants working on complex public sector challenges. The term, *capabilities* is used, rather than skills or competencies, because, “cognitive, affective, and behavioural qualities go well beyond skill to include judgement and knowledge” (Hartley et al., 2019^[18]).

Despite their wide variation in topics and national contexts, the nine case studies demonstrated a great many common leadership capabilities. Whether a focus on digital leadership in Ireland, collaborative leadership in Finland, or inclusive leadership in Canada, there was more overlap than differentiation in the core leadership capabilities identified. In all cases, SCS were working to develop new approaches to solve public challenges, and these challenges involved high degrees of innovation. Innovation is therefore core to the definition of public sector leadership for the purposes of this study, and runs throughout.

These overlapping capabilities tended to sort into the following four groups.

1. Figure 2.1. Four leadership capabilities



Source: Author’s own design

These four capabilities are arranged in concentric circles. Starting at the core, individual SCS are required to be **values-based leaders**, negotiating multiple and often competing values that guide their decisions making towards the public interest. Successful leaders challenge their own internal perceptions through **open inclusion** – by searching for voices and perspectives beyond those they normally hear from (open) and ensuring psychological safety for these voices to contribute to their leadership challenges (inclusion). They act as **organisational stewards** by reinforcing a trust- and values-based culture and equipping their workforce with the right skills, tools and working environments. Finally, looking beyond their own organisation, successful SCS are adept at **collaborating through networks**, with other government actors, and beyond. Each of these will be considered in turn.

Values-based leadership

One of the distinguishing factors of public leadership is the focus on public values. The development of values-based leadership and culture underpins the Recommendation on Public Service Leadership and Capability. In the academic literature, two streams of public value analysis are dominant. Mike Moore's work on public value sets up a way of thinking of the goals and objectives of public leaders, which create value for society as a whole. (Moore, 1997^[19])

On the other hand, SCS are expected to work in ways that promote common public values – through e.g. higher standards of accountability, transparency, integrity, equality, and ethical behaviour. These values are often written in law, or another policy document. Public *values* guide the decision making process of public leaders in their mission to produce and protect public *value* (see e.g. (Alford et al., 2017^[20]) for a good discussion of the use of the public values in the academic literature, and (OECD, 2019^[21]) for how these perspective can be applied to city-level systems change).

The challenge SCS face is to manage tensions, conflicts and trade-offs among competing values. (Jørgensen and Bozeman, 2007^[22]) identify 72 different common public values. Tensions between democracy and bureaucracy; efficiency and equality; consistency, change and innovation; accountability and risk taking, are common. Values conflicts also exist in cases of collaboration between different organisations with different values. In this kind of decision-making, there is rarely one clear path or single right answer – each option has its trade-offs with their own impacts on outcomes.

Box 2.1. Values-based leadership in the Dutch case study

Dutch senior civil servants are working with external stakeholders (other levels of government, private sector agents, civil society organisations and even individual citizens) in order to address a wide range of public policy challenges. This shift is creating a unique set of values-based tensions for senior civil servants in the Netherlands: where does the boundary lie between the sphere of public management and the sphere of democratic processes? How can senior civil servants demonstrate accountability for their results when these rely on the concerted action of multiple stakeholders? And, as previously invisible technocrats, how do they adjust to their new more visible roles as being the “face” of government? In reality, senior civil servants reported having to successfully navigate different tensions that made their work as societal partners, at times, extremely challenging.

Meaningful engagement with stakeholders requires negotiation and regular compromise. However, in some situations, senior civil servants found it difficult to know how far their elected officials could go in adjusting their plans and objectives. One senior civil servant for example struggled to get parliamentarians to approve her policy proposal after being given a mandate to co-create new services with a wide networks of stakeholders. Her final proposal was perceived as having gone beyond the scope of what the public administration should determine about the design of a policy agenda.

Forming and maintaining effective working relationships with stakeholders requires building- and holding on to- their trust. However, senior civil servants reported that their hard-won trust from their stakeholders was often tested. In one example, a senior civil servant had spent years developing close working relationships with local stakeholders, which were later threatened over competing political interests. Managing expectations, differentiating between personal and institutional positions was noted as a common challenge.

So how do Dutch SCS manage these values tensions? Interviewees had some excellent insights on the skills and behaviours that had aided them in this facet of the work, including:

1. *See the bigger picture.* Being a societal partner requires a new mindset - thinking in terms of “what is good for society”, and addressing problems from a holistic point of view, rather than purely a sectoral one.
2. *Set clear boundaries and manage expectations:* Interviewees reported that building trust came from being transparent about what one could have influence over, and what one did not have influence over. In some instances framework or umbrella agreements were established as a baseline or foundation on which to continue further activities.
3. *Exchange ideas and ask for help:* while these challenges may see context-specific, much can be learnt from the insights of others in forums such as the Intercollegiate Groups (see box xx for more).

Source: Case study on the Netherlands conducted for this project

Values-based leadership in the public sector may sometime create tensions between administrative values and political values (Alford et al., 2017^[20]). The line between the two is rarely clear, and may create inherent tensions between, for example, the common administrative value of providing impartial evidence-based policy advice and political values based on ideological conviction. Other tensions could include balancing a longer-term administrative perspective with election cycles; or engaging in community consultation and conducting appropriate due diligence in service design, while managing the pressures to respond increasingly quickly to fast-moving political agendas and deliver service efficiently. The tension between administrative and political values often comes to a head in the work on public sector innovation, where methods such as policy experimentation often remain politically risky, despite compelling evidence bases. Lines between politics and administration can be further blurred when public servants are encouraged to co-design policies and services with the public, thereby potentially developing an alternative political legitimacy that circumvents the elected officials.

When working across sectors or simply with different organisations in the same sector, SCS also have to manage differences in values. While many public services have a common set of public sector values, these values will likely shape organisational culture in different ways in different ministries and agencies. A second related challenge is between sectors – managing partnerships with civil society, for example, which may take a more narrow view of value when promoting their public objectives over others, or with the private sector which engages in public values creation with a view to advancing private interests.

Managing these values tensions, then, is an inherent part of the SCS job. These are tensions that lie within an individual, and require a clear sense of the values at play and the potential strategies available to resolve them. Bryson et al (2017^[23]) summarise many, including “*cycling*: alternately emphasizing different values that conflict at different points in time; *firewalls*: distributing responsibility for pursuing distinct competing values to different institutions or administrative units; *incrementalism*: softening or ameliorating value conflicts through a series of small adjustments to policy or practice; *trade-offs*: safeguarding one value at the expense of another; and *escalation*: elevating questions about competing values to a higher administrative or legislative authority.

Open Inclusion

The above discussion treats values-tensions as an internal process, however leadership is about working with others, and so SCS come into contact with increasing levels of diversity – of employees and colleagues, of stakeholders and of citizens – each with their own needs, perceptions and values hierarchies. Diversity can be a strength, resulting in better-designed policies and services but it requires leadership skills.

Many of the successful SCS in this study actively seek out people with different perspectives and nurture an open and inclusive environment that provides the psychological safety for those people to bring their ideas and questions forward. Psychological safety is the level of comfort people have in taking risks within a group setting (see (Edmondson and Lei, 2014^[24]) for a comprehensive overview). It is considered essential for people to bring forward ideas and questions that challenge the status quo or the dominant way of thinking, and was found to be the top ingredient to effective teams in a broad study conducted by Google (Delizonna, 2017^[25]) Without psychological safety, diversity cannot translate into innovation and improved outcomes.

SCS use particular mixes of traits and behaviours so that employees and stakeholders feel included and valued. This includes traits such as compassion, respect, empathy, engagement, empowerment, humility, courage, accountability, self-reflection/awareness (of one's own biases); cultural agility, openness to diverse points of view, the ability to motivate and inspire diverse teams and serve underrepresented groups. The case studies highlight the following inclusive leadership behaviours:

- **Having the right (often difficult) conversations... with the right people** (not always the same people). This means actively thinking about who you're not hearing from, identifying groups that are systematically underrepresented, and making efforts to hear from them. It means raising challenging issues and making sure that others are able to do so; opening oneself to difficult questions, and handling those questions with humility and compassion.
- **Leaders needs to be comfortable treating people differently...** Different people have different ways of reacting to the same discussions in meetings, for example, and the leader's job is to understand this and create a space for difference to express itself – not just listen to the assertive male personality around the board table.
- **And be comfortable with diversity in the concept of leadership itself**, since different groups will project different leadership styles. Big institutions often recreate the same styles of leadership since people learn it as they move upwards. But we have to recognise that leadership can't be one dominant model or profile."

Box 2.2. Open Inclusion in Canada

The Canadian case study focused on the role of SCS to build inclusive cultures to leverage increasing diversity of their workforces for better public services.

The Canadian case study synthesized views from Senior Civil Servants on how well their public service was managing to develop an inclusive culture, supported by open and inclusive leadership. Inclusion is about recognising and making room for employees' individual needs, desires and expressions of self; is about organisational optimisation; and a path to better analysis and decision-making.

SCS were proud of many achievement in this area, the result of the clear prioritisation it received. However many suggested that there was always more than can be done and room to grow and evolve alongside the concept itself. While significant gains had been made for gender equality, many pointed to ongoing challenges with groups such as indigenous employees, visible minorities and people with disabilities.

Moving beyond demographic representation, many interviewees raised a common concern that internal staffing, particularly at the higher levels, often favours people who are known to the hiring managers, which tends to result in having the same people circulating around the same decision-making circles, rather than opening up to new ideas and voices. This reliance on the same "home grown" executives risks reproducing the same kind of thinking and behaviour at executive levels rather than encouraging diversity and inclusion.

Many potential solutions are suggested, including improvements to data, training, accountability processes, staffing policies, and limiting the degree of turnover at the highest levels. However, these structural elements risk providing more “management” rather than real “leadership” if not implemented effectively. The following point may be the most important but the hardest to ensure:

There’s no silver bullet to fixing diversity and inclusion in the Canadian Public Service – it’s lot of small things. Senior leaders should be expected to have line of sight into their organisations and to set clear expectations for their managers who should be reflecting on their own skills. Actually it’s what people’s own superiors are asking. Tone from the top. Clear commitment all the way down. Deputy Ministers asking their management team what they are doing about this, how they’re getting there. To be completely honest we have come a long way in the last years of evoking a sense that this matters but those conversations need to keep happening and this needs to be seen among the priorities for action.

Source: Case study on Canada conducted for this project

One of the challenging aspects of increasing Diversity and Inclusion is mitigating the potential conflict that can arise as a result. Indeed, diversity alone, when not managed effectively, can have harmful consequences, leading many researchers to call it a double-edged sword. The more diverse a team or organisation is, the more leaders need to be skilful at interpreting and managing difference and the conflict that emerges, whether in terms of ideas, understanding and interpretation; communication styles and behaviour; or in terms of expectations towards work and colleagues. It is often the leadership skills of managers that can turn such conflict from frustration to positive innovation.

Open inclusion is also a way to improve all management decision making. All humans have deep cognitive biases which influence decision making. They have a tendency to assign credibility to people who remind them of themselves, readily accept information that confirms beliefs already held, and make snap judgements based on categorisations that may not have any immediate relevance. These and many other common biases create blind-spots in decision making that can be exposed and challenged by opening up the process and including more voices and perspectives. This approach is also aligned with an increasingly digital government. For example, the Canadian Digital Standards represent a commitment to improving government services and the overall civil service, including Work in the Open by Default. The Canadian Government notes that working in the open helps lead to the cross-pollination of ideas, more creative problem solving, and proliferation of input from those persons who may have been historically excluded from the decision-making process, all helping to reduce the blind-spots in decision-making by SCS. This thinking is embedded into Canada’s Digital Academy training for future and current SCS.

Openness to input and ideas is also a prerequisite for leading public sector innovation, as ideas come from all directions, whether top down, bottom up, or outside-in. Participants recognised that in an innovative and digital government, more than ever before, leaders need to develop a keen sense of self-awareness and honest self-reflection. Leaders need to know their strengths, to surround themselves with others who balance their strengths, and give these people the space and trust to question and challenge. And this must be grounded in solid public sector values, to ensure that diversity of thought is guided by the right common motives and objectives.

Organisational stewardship

So far the capabilities about are focused on individual Senior Civil Servants and how they make decisions. However, SCS translate political objectives into tangible impact through the organisation they lead. They exert influence through this organisation using communication tools, rewards and sanctions, and by assigning resources and building capability. This could be very transactional, but in many cases it is a kind of collaboration – leaders are increasingly expected to surround themselves with people who complement their own skills and capabilities, and delegate appropriate authority to them (see the

discussion above regarding Wilson's anti-hero leadership). The SCS's job is then to develop common meaning and understanding, to foster a trust-based collaboration with and among a range of subject matter experts across their organisations.

Davis et al (2018^[26]) articulate a stewardship theory of management which describes how an alignment of common values and trust across an organisation can motivate collective action towards objectives. Stewards are trustworthy leaders who are motivated by intrinsic factors and are best supported by enabling organisational structures which delegate appropriate levels of autonomy, discretion and accountability. This is in contrast to principal-agent models which assume people are extrinsically motivated, untrustworthy, and therefore need to be controlled through transactional compliance measures. Stewardship models of management tend to be better suited to uncertain, ambiguous and complex conditions.

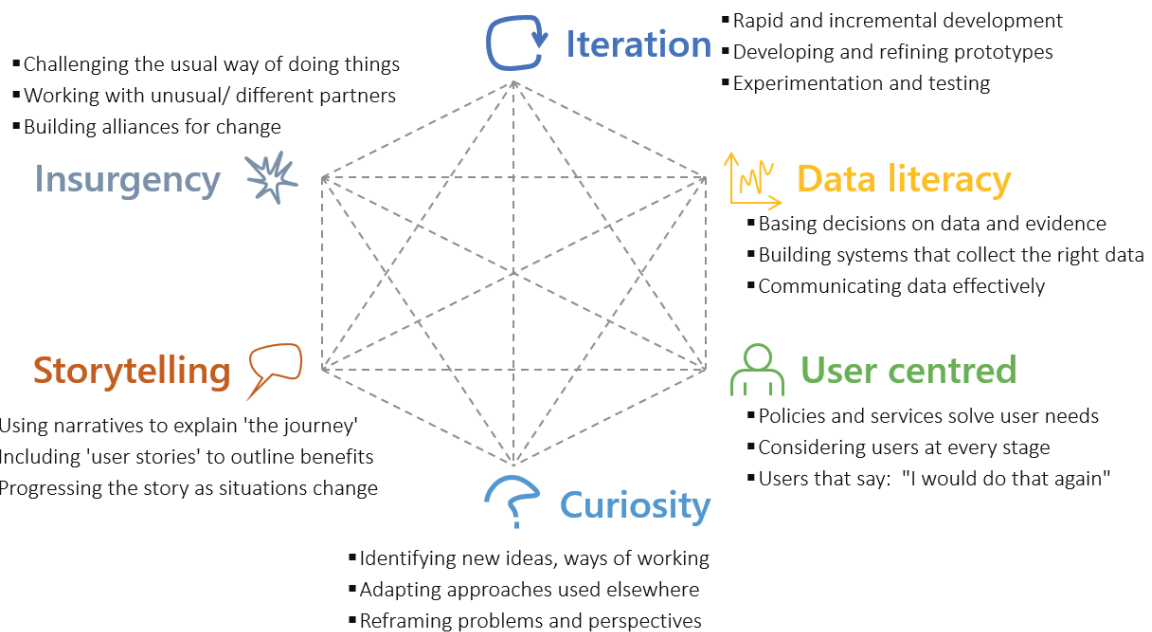
Building effective organisations based on trust starts with people – their skills and values. SCS need an awareness of the skills needed in their organisations, and which of those they have and lack. They then have an important role in building up their organisations with public employees that have needed skills and in creating the 'space' for these civil servants and managers to put them to use. This requires not only attracting and developing the right skills, but rethinking the way organisations are structured and the way employees are engaged. Doing so effectively is a fundamental leadership challenge, which requires leadership that builds expertise throughout the organisation and prioritises trust based collaboration in a way that builds an innovative learning culture.

Additionally, values-based leaders can do this by imparting common public values throughout their organisation, so they become a fundamental component of organisational culture (Brown and Treviño, 2006^[27]). The literature on ethical leadership looks at the different methods required, and suggest that it is not enough to be ethical and values-based, but that one has to be seen as such. This means openly discussing the values-based decision making process with staff, and supporting them to make their own values-based decisions within their sphere of autonomy.

Box 2.3. Organisational Stewardship in the Irish case study

The Irish case study explores the role of leadership in driving public sector innovation to meet the challenges posed by digital, artificial intelligence and heightened customer expectations. To this end, the OECD developed an interactive workshop with a group of Irish senior public service leaders to better understand, frame, and develop sustainable innovative organizations.

Figure 2.2. Six skills areas for public sector innovation



Source: www.oecd.org/media/oecdorg/satellitesites/opsi/contents/files/OECD_OPSI-core_skills_for_public_sector_innovation-201704.pdf

One starting point was the OECD's innovation skills model, which provides six core skill sets that all public organisations need to nurture to embed innovation capabilities. Senior civil servants are not asked to master all of the above skills; but should play an active stewardship role to ensure that their organisations have access to these skills and the right conditions to put them to best use.

Participants agreed that leading innovation in a digital government presents a need to redefine what leaders are and the roles they play in public organisations. More than ever before, leaders need to develop a keen sense of self-awareness and honest self-reflection. Leaders need to know their strengths, to surround themselves with others who balance their strengths, and give these people the space and trust to question and challenge. And this must be grounded in solid public sector values, to ensure that diversity of thought is guided by the right common motives and objectives.

Some of the stewardship interventions that could support this include in an innovation strategy to ensure that employees across their organisations have common understand of what innovation is, that they are fully equipped with the skills to innovate, and that they understand that they have the permission to innovate. This could be supported through closer communication channels between front-line and senior management, to improve the exchange of ideas and enable local innovations to be brought to scale. SCS also discussed better use of employee surveys which provide rich data to understand the viewpoints of the workforce. Many also discussed concrete ways of creating safe spaces for trial and experimentation within their organisations, and platforms to share ideas and experience within and across organisations.

Source: Case study on Ireland conducted for this project

SCS in all countries are challenged to provide space for risk taking and experimentation to generate genuine learning and development by learning from experience (both positive and negative). This suggests a set of leadership competencies focused on personal and inter-personal characteristics, which make people more flexible, creative, and agile. It means that managers must develop comfort around ambiguity and this means that SCS need to give confidence to their management team to test and explore

as they go. This requires high-level leadership skills – setting guideposts on risk, building workforce capabilities to conduct safe and effective experimentation, and manage the political context so that uncertainty is understood and supported from the very top.

Networked collaboration

Senior civil servants translate complex political objectives, such as SDGs, public health, local poverty or climate change, into new forms of policy delivery. It is rare that any one unit under a single SCS can achieve these objectives alone. In today's public sector governance, groups need to come together in new ways to achieve their goals (see, for example, (OECD, 2017^[28]) and (OECD, 2019^[21]). This may include collaborations among multiple ministries and agencies; levels of government; NGOs and the private sector. Government does not have a monopoly on public value, and cannot act alone.

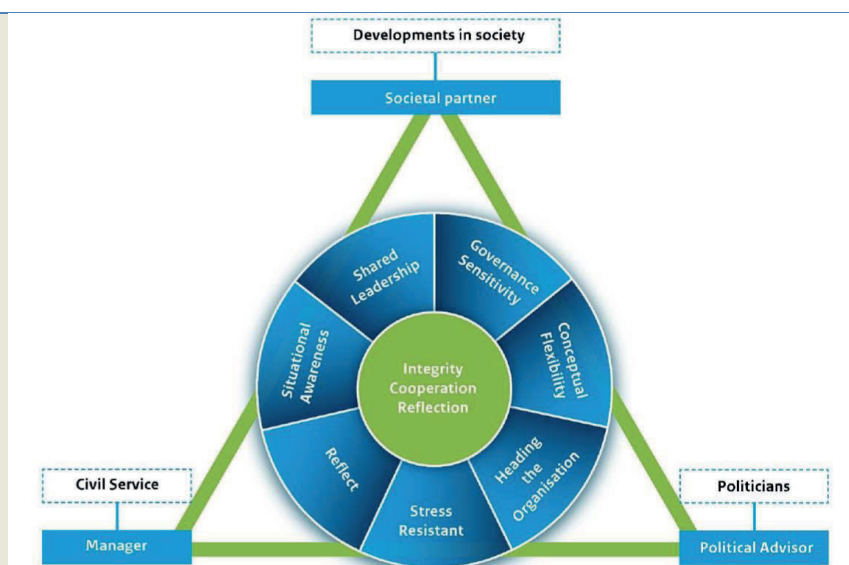
To be effective in this kind of environment, SCS influence a vast system of actors, engage and work with a wider scope of stakeholders and adopt different service delivery models beyond traditional government or market interventions (i.e. “networked governance” (Stoker, 2006^[29]) (Osborne, 2006^[30])). This requires SCS who are able to see and understand their own role within a larger delivery system and to identify and map the other actors in that system. SCS then build trusted relationships with those actors, developing networks to share information, generate common understanding and collaborate on effective responses. Relationships- not only budgets or contracts- become the new currency for public managers.

Box 2.4. Societal partners in the Dutch vision for public leadership

The Dutch administration is well aware of the changing context for public managers and has reflected this in its strategy for recruiting, developing and supporting its senior civil servants. Indeed, an internal ABD study¹ revealed recently that senior civil servants were spending up to 17% of their time “managing outwards” (i.e. as defined by the study, time spent dealing with local governments, foundations, schools, private sector, international organisations, etc.) As such, the ABD has developed a clear framework for its vision of public sector leadership, where the role of senior public servants as “societal partners” is clearly linked to the types of competencies senior civil servants are expected to develop and display.

Figure 2.3. The Dutch leadership competency framework

¹ Master's Thesis study by Jaimy Wildschut BSc, 2019.



The ABD's "Vision for Public Sector Leadership" expands on some of the competencies expected for being good societal partners. These include (and are not limited) to such qualities:

- Being a connector between social organizations, political governance and administrative organization;
- Bringing together people with different backgrounds, gender and various disciplines, cultures and organizations; use the complementarity of others;
- Understanding various perspectives;
- Adaptive capacity;
- Vertical and horizontal management;
- Having an overview of context and consistency of the file;
- Active in networks;
- Stimulating initiatives in networks, co-creation;
- Managing decompartmentalization and managing networks;
- Breaking down boundaries;
- Interpreting complexity of content and context;
- Inspiring others about content and offering comfort; and
- Targeted, aiming for results with social impact.

Source: (Netherlands Ministry of Interior and Kingdom Relations, 2016^[31])

SCS develop networks of relationships in three directions: down through their organisations (as stewards), up to their own management and leadership, and out to actors beyond their own vertical silos. These reflect the three different roles and relationships highlighted in the Dutch leadership vision, each of which require a different kind of understanding and collaboration.

One of the complexities of leadership in the public sector is that all SCS report upwards to a (or multiple) political authority. Nevertheless, the case studies collected in this project illustrate a great deal of authority and discretion exerted by professional SCS while serving their elected government. The division between political and administrative leadership is often unclear, prompting an acceptance that "the politics/administrative dichotomy is not a line but a zone in some contexts" (p. 245, (Hartley et al., 2019^[18])).

Hence, the ability to be “politically astute” and work collaboratively with the government of the day, while bringing additional insight and technical/policy expertise, is a fundamental SCS capability. Understanding political objectives, and the risks involved, and translating those into action through a motivated and engaged workforce is a fundamental role of SCS.

Working upwards and downwards reinforces fundamental silos of traditional public administration systems. However, SCS are required to break across these silos and work through the inherent interconnections of policy spheres and organisational authorities. This requires collaborating outwards – across organisations and sectors, to conceptualise and communicate desired outcomes, the contributions their organisations make to those outcomes, and to facilitate partnerships with strategic collaborators, through networks of actors among which there is no formal hierarchy of authority.

Box 2.5. Networked collaboration in Finland

The Finnish case study looks at how Directors General (DGs) collaborate and co-ordinate to improve the steering and implementation of the government’s strategic priorities through the tracking and financing of key cross-cutting projects.

The case study explores two sets of issues which challenge the implementation of horizontal working methods through vertical ministries: first, leaders’ capabilities to balance horizontal and vertical priorities, and to adapt to the new ways of working; second, a range of institutional factors outside the leadership capability realm such as resources allocations for horizontal projects, structural arrangements, and accountability mechanisms.

DGs’ experience implementing collaborative projects varied depending on the interplay between the diverse contexts they are working in and their own leadership styles, background, and capabilities. To demonstrate this variety, four DG Personas were developed by the OECD based on the interviews with 12 DGs. These were discussed and workshopped during the first day of the meeting in Helsinki:

The Law-maker

This DG Persona values rules and process, and believes that coordination and collaboration work when mandated through formal means and mechanisms (e.g. legislation, traditional consultation mechanisms). The Law-maker finds discomfort in new or different ways of working. The challenges faced by this DG stem from a tendency to revert back to traditional or old forms of co-ordination that have proved successful in the past. However, the interconnectivity of government priorities suggest that previously used techniques will not prove as effective.

Subject Matter Expert

This DG rose to senior management levels quickly based on his particular expertise, and successful performance related to a policy issue that was previously a government priority. He did not have any career planning or management that prepared him for leadership demands. While his expertise, in-depth knowledge, and passion for his specific files is to be commended – and can, if used properly, engage or energize civil servants in his organisation – this type of leadership is often challenged with an ability to see the bigger picture (which is essential for implementing horizontal initiatives) or the value in building other leadership capabilities such as collaborating outside of silos and managing the political interface.

Overloaded Achiever

This DG is new to this level of leadership, and finds it difficult to balance competing demands and political priorities. She views horizontal collaboration and changing ways of working as positive, though she struggles to manage both her vertical organisational pressures and the horizontal cross-cutting

priorities. She is particularly challenged with understanding that the priorities of the government should drive the work of her organisation, and at linking her organisation's work to horizontal projects.

Frustrated Newcomer

This DG is relatively new at managing an organisation at the central government level, and is highly frustrated that his previous leadership style is not proving effective in his new environment. In his previous leadership role, he rarely got bogged down with expert details, preferring to trust his employees and focusing on bigger picture, strategic issues, and how he could get the most out of employees in his organisation. Now, as a result of how the political level is operating (namely his minister), this DG is pushed to be an expert on all topics covered by his organisation, and to collaborate horizontally with ministries that may not see the value in co-operation. He is challenged with learning the new system and the complex environment he now operates in, which will require a recalibration of expectations, and a focus on leadership capabilities necessary for this role such as agility – the ability to effectively confront and nimbly transform obstacles and roadblocks. Adapting and thriving in this new working environment will be of key importance for this DG.

Source: the case study on Finland conducted for this project

Working through networked collaboration requires an adjustment to traditional leadership styles. The traditional bureaucrat (e.g. the 'law-maker' profiled in the box above) can't depend alone on formal mechanisms of consultation and transactional methods of leadership. Similarly, traditional means of exerting influence (i.e. legal competency and financial resources) can no longer be applied to the same extent. "Carrots" and "sticks" ways of working were less effective and senior civil servants have to find different value proposition for networked communities. For example, several senior civil servants in the Netherlands noted that their new value was in having the "birds-eye view" and institutional knowledge concerning policy issues and challenges; as well as their convening power to bring stakeholders together.

Working this way is difficult because it requires SCS to leave their comfort areas ("leaving their desks"), and be confronted with the messy realities of policy implementation. It requires a careful evaluation and alignment of performance metrics among collaborators, and a way of distributing and sharing accountability for success. It means thinking in terms of "what is good for society", and addressing problems from a holistic point of view, rather than purely a sectoral or institutional one.

These four capabilities emerged in all of the leadership discussions in different forms and different ways, and while they suggest a high-level set of skills needed, they also represent an ideal type – not always found in reality. The four SCS personas developed for the Finnish case study (see box above) highlight different types of skills and the challenge they have in achieving collaborative outcomes. These personas show that developing and activating these capabilities is often more challenging than it appears. Not all current SCS in OECD countries are well prepared for this kind of work. However, in many cases the senior civil service is full of excellent public leaders who have been promoted for the right reasons, yet they still feel hindered in their ability to lead effectively. This suggests that excellent leaders alone are not enough – that their operational environment is also a key factor. The next chapter explores the institutional mechanisms of an ideal SCS system that can develop a highly skilled Senior Civil Service and give them the tool and environments needed to perform.

3 Senior Civil Service Systems

The previous chapter identified four capabilities used by Senior Civil Servants to achieve public leadership objectives. Identifying necessary skill-sets is an important first step in building capability of the Senior Civil Service. The next step is to put in place systems and tools to equip this group with these capabilities and ensure they are given the right opportunities to put them to use.

Figure 3.1. Use of separate HRM practices for senior civil servants in central government, 2016

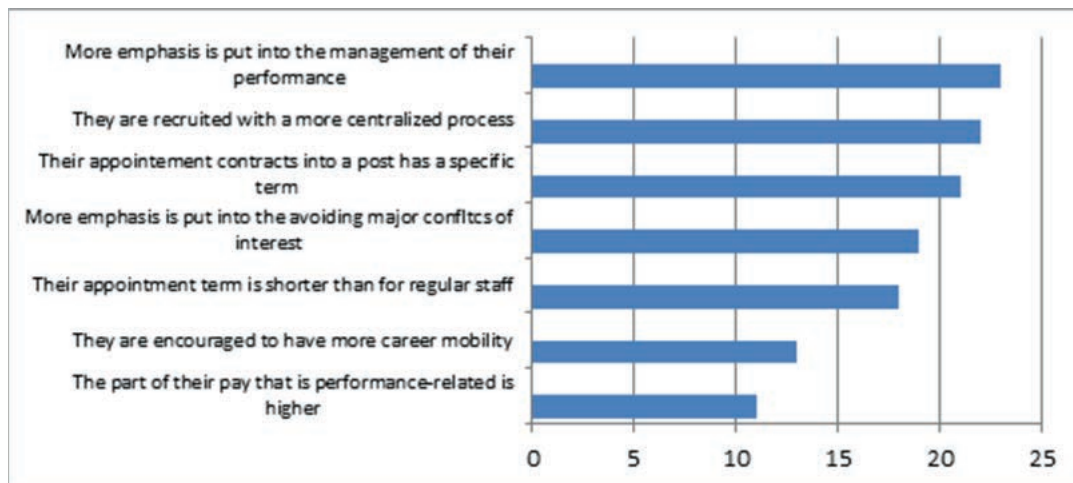


Source: OECD (2016), *Strategic Human Resources Management Survey*, OECD, Paris.

Most OECD countries manage this group of Senior Civil Servants (SCS) separately from the rest of the civil service, usually under different terms and conditions of employment. The figure above shows the extent to which Senior Civil Servants are managed as a separate group across civil services in OECD countries. SCS are often recruited through a more centralised process, are subject to term limits and specific performance management and accountability regimes (see figure X below). A majority of OECD countries also take extra measure to avoid conflicts of interest at the highest levels of the administrative hierarchy.

The emergence of a senior civil service system across OECD countries can generally be explained by the high degree of impact this group has on the functioning of public organisations, and their direct interaction with the political layer of the executive, being at the interface between politicians and the civil service apparatus. Hence, there is a high interest in ensuring that this core group have the capabilities and operating environments necessary to be as effective as possible.

Figure 3.2. Differences between the employment framework for senior managers and other civil servants (number of OECD countries)



Source: OECD (2016), Strategic Human Resources Management Survey, OECD, Paris

Senior civil service systems: towards an OECD model

Elements such as those listed in figure 3.3 can be combined into a Senior Civil Service System. The objective of such a system should be to ensure that all of these elements are aligned to equip Senior Civil Servants with the right skills, resources and operating environments to deploy the kind of leadership necessary to achieve complex objectives. Thinking about these elements systematically, the OECD proposes to consider two main groups.

One set of interventions aims to ensure that SCS have the right skills and competencies to do their job. However, many of the case studies show that highly skilled SCS still fall short of their goals due to environmental constraints – for example, lack of autonomy, misaligned incentive or rigid management systems. Therefore, the second set of interventions focuses on these issues. These interventions aim to ensure that good leaders, once in place, have the autonomy, tools, support, and accountability needed to effectively use their leadership capabilities.

The first set of interventions, aimed to get the right people into the senior civil service includes the following:

1. First, SCS job profiles should identify leadership capabilities appropriate to the position, often aligned to leadership competency frameworks.
2. Then, recruitment and selection tools and mechanisms should be appropriate to the position, in order to assess the capabilities required, and to ensure the right balance of internal and external candidates.
3. Pipeline development is important to ensure that there is a potential pool of candidates with the abilities and motivation required to take up these positions, both internal and external.
4. Finally, these tools should not only be used to bring in the best individuals, but also to ensure a diversity of people and backgrounds in the senior civil service as a whole. This suggests the need to develop diversity and inclusion tools.

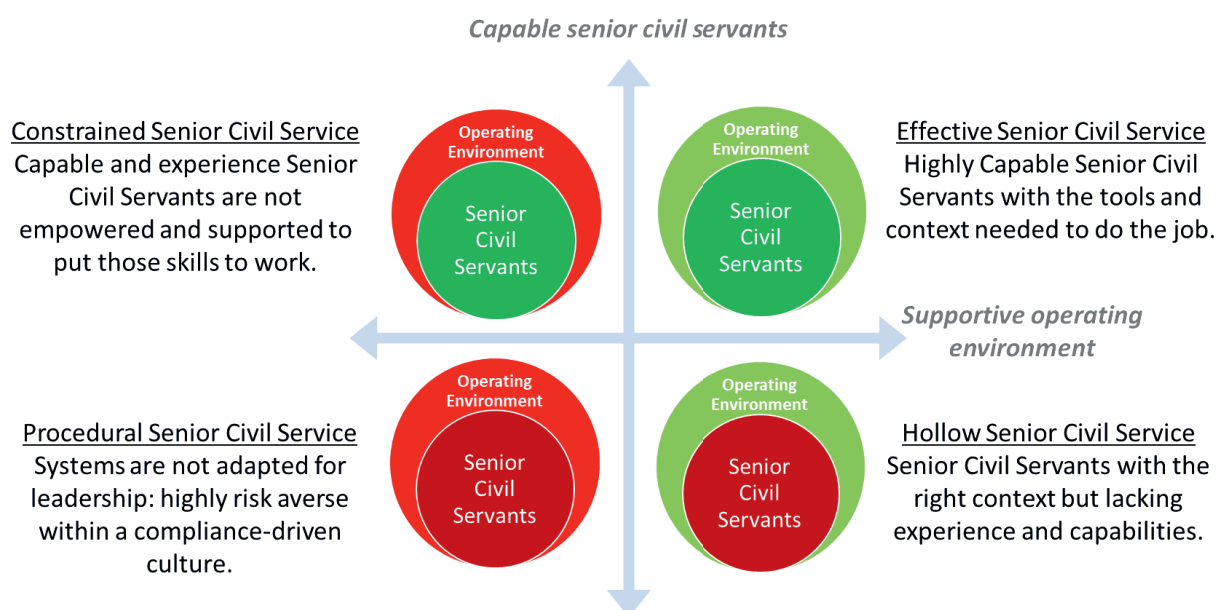
The second set of interventions aims to support skilled SCS with the right tools once in position. They include the following:

5. Leadership objectives, autonomy and accountability for results: objectives should provide a clear sense of direction for leaders, aligned to the political objectives of the government, and be matched with appropriate levels of autonomy and accountability to achieve them.
6. Learning opportunities and peer support. SCS need to be continuously learning and adapting to changing realities and require a tailored and time-sensitive set of interventions that include networking, peer support, mentoring, coaching, and opportunities for reflection with their peers, management team and employees.
7. Management tools. These include financial tools that offer an appropriate level of flexibility; HR systems that help SCS access the skills and expertise they need; data and information to support decision-making; and communications tools to connect to, and lead through, broader networks.
8. An additional contextual factor is the nature of the political administrative interface - the relationship between SCS, their ministers and the government of the day. This is both a structural question (system of government and level of permanence of the SCS cadre) and one of specific relationship between government and SCS, coloured not only by the individual relationship but also by the degree of trust between actors involved.

Four types of Senior Civil Service Systems

Taken together, the two groups of policies and tools can be represented as two axes of a matrix to identify four different senior civil service systems (Figure 3.10).

Figure 3.3. Senior Civil Service System matrix



Source: Author's own design

The ideal quadrant is the top right, where SCS are well equipped with capabilities and operating environments that allow them to put those capabilities to best use. Each of the other three quadrants of this matrix suggests different weaknesses of the system and areas where further investment could be directed to develop an effective senior civil service. This model is meant to be generalisable across the full SCS system, but it can also be used to assess more localised SCS approaches – as the experience of these tools will likely differ from one organisation to another. Some agencies may fall into difference

quadrants for different reasons, and this can provide an opportunity to highlight areas of high capability that can serve as models for other areas within a same system.

The four quadrants can be characterised as follows:

- **Effective Senior Civil Service** (high score on both axes): in these systems, SCS are highly capable and are working in ideal organisational contexts. There is nothing that should stand in the way of them achieving their governments' policy objectives. However all systems can be improved and need to be updated to keep up with the fast pace of change. Therefore the focus of groups in this quadrant should be continuous monitoring of the changing context and adaptability to accommodate changes. Otherwise, they risk shifting to one of the other categories.
- **Constrained Senior Civil Service**: in this case, SCS are well prepared with the right capabilities for their job, but still feel unable to achieve their objectives. They are often frustrated by the rigid structures and systems that may work against their best efforts. Countries that find themselves in this category would do well to undertake a diagnostic analysis of the elements discussed in axis 2, and engage SCS in co-creating an ideal workplace.
- **Hollow Senior Civil Service**: in this case many new policies and tools have been designed and implemented, but they are not being used to their strategic advantage. This is often due to a lack of capabilities and/or motivation of SCS. Changing the mentality and culture of the SCS can take time – longer than, e.g. installing new tools and performance management systems. This requires a concerted effort to promote new ways of working, and generate renewal at the top through term limits, competency assessments, and pipeline development.
- **Procedural Senior Civil Service**: In this case, SCS are not trusted to lead, and are hence stuck in webs of rules and regulations, using old management tools that require them to spend most of their time working on management tasks rather than strategic leadership challenges. In these systems, the SCS have little autonomy, no genuine objectives to promote change, and are rewarded for keeping to the status quo at all costs. Breaking out of this system requires a concerted effort on multiple fronts – to renew leadership capabilities, rebalance incentives and review management tools.

The following sections explores each of the elements of the 2 axes of the model above, and presents promising practices and approaches that emerged in the case studies and ensuing discussions. The section concludes with an assessment framework that can help to determine where a country's SCS system may sit on the grid, identifying areas that are strong and others that may require additional investment.

Axis 1: Capable Senior Civil Servants

The PSLC calls for the consideration of merit criteria in the appointment of SCS, which is at the heart of this set of tools. However, the definition and application of merit criteria takes many forms, particularly at SCS levels where different systems assign different responsibilities for SCS appointments. Some systems leave a great deal of discretion for SCS appointments to political authorities, whereas in others this is left in the hands of the civil service itself. Regardless of the system in place, the aspects below can be considered and adjusted. Even in systems where the prerogative for SCS appointments lies only with the President, prime minister or government, tools can be used to appropriately vet candidates in transparent ways. The goal is to ensure that whoever wields appointment power uses it to bring in the best people for the job.

Leadership competencies and job profiles

Key objectives:

- Develop a common understanding and expectation for leadership skills across the public service, through e.g. competency frameworks.
- Define the necessary leadership capabilities in specific SCS job profiles.

The first step in ensuring the right people are brought into leadership positions is to identify the position and its requirements effectively. An appropriate job profile should include expectations regarding skills, competencies and experience. However many public sector organisations still translate merit-based criteria into educational (degrees held) and time-based experiential indicators (number of years in a similar position) rather than criteria which relate more directly to competence and achievement.

There are ongoing debates around the need for subject matter expertise versus transversal managerial and leadership skills. Should the DG of the ministry of health be a doctor, or rather a skilled public manager? In many systems, successful SCS develop a deep understanding of the systems of governance (the levers to get things done) and possess enough subject matter and self-awareness to know which technical expertise they need to bring in to support them.

Competency models are useful as a way to express commonly expected leadership capabilities but they need to be carefully operationalised. Part of the challenges is translating standardised competencies into specific demonstrable behaviours and activities that correspond to the requirements of particular positions. The two examples in box 3.1 show how this is done in Estonia and in the UK.

Box 3.1. Competency models and success profiles in Estonia and the United Kingdom

In 2016, Estonia updated their leadership competency framework to set expectations for the kinds of leaders they wish to attract, select and develop.

Figure 3.4. Estonia's leadership competency framework



Source: Provided by the Estonian Top Civil Service Excellence Centre.

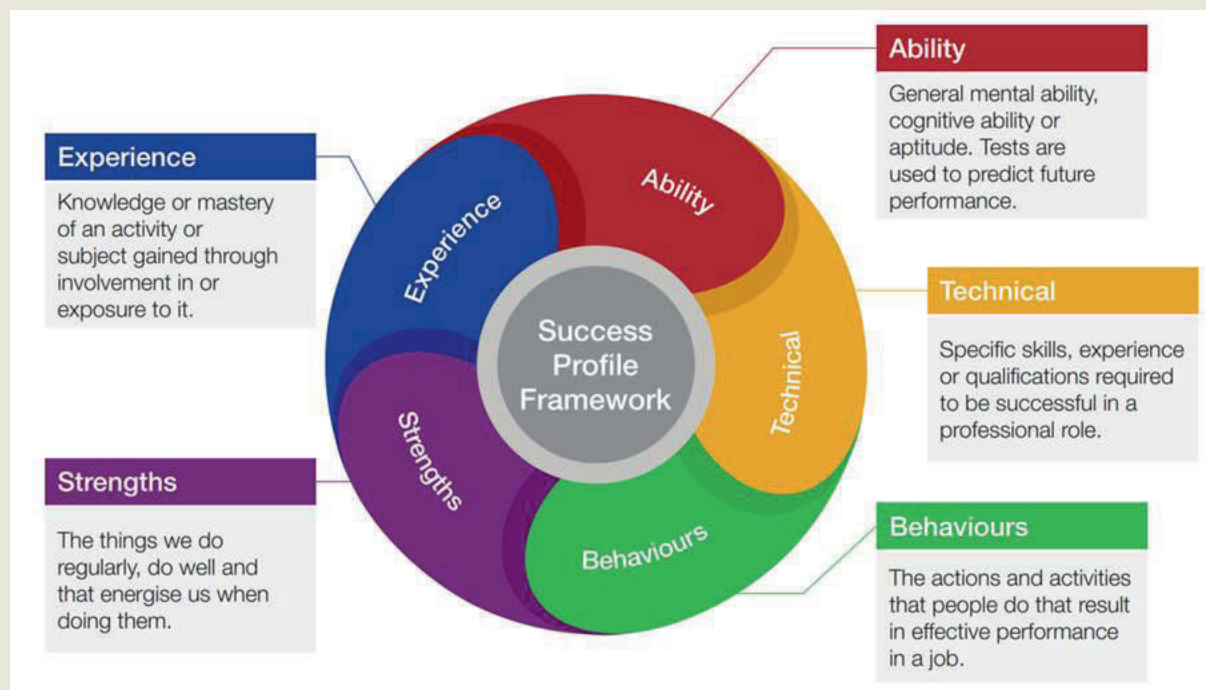
The framework identifies each of the elements in the diagram above and provides examples of efficient and inefficient behaviour for each. For example, it calls for leaders to be drivers of innovation, and offers the following definitions:

- A driver of innovation is a pioneer; he or she promotes thinking outside the box, encourages taking risks and directs the development and implementation of valuable innovations.
- An efficient top executive actively looks for innovation opportunities, shapes an organisation culture that supports creativity, learning and experimentation; encourages the team to develop technical competencies and adopt new technologies.
- An inefficient top executive sticks only with tried solutions, gets tangled in restrictions, is afraid to be wrong and acts within safe limits, ignores the need for technical competencies as well as the opportunities to adopt innovative technologies.

Each of the elements in the framework also includes activity indicators which are assessed on a scale from 1 (never) to 5 (always).

The United Kingdom has been testing a model that illustrates how generic competency frameworks can be incorporated into more specific SCS positions. Success profiles take common competency frameworks and tailor them for specific positions (abilities, behaviours) while also referencing technical abilities and experience, framed as mastery of specific activities. It also takes a strengths-based approach, to identify what a person not only should be able to do, but what they like to do, which gives them a personal sense of satisfaction and growth.

Figure 3.5. UK Success Profile Framework



Source: Provided by the UK delegate to the SCS project.

Selection and appointment of the right people

Key objectives:

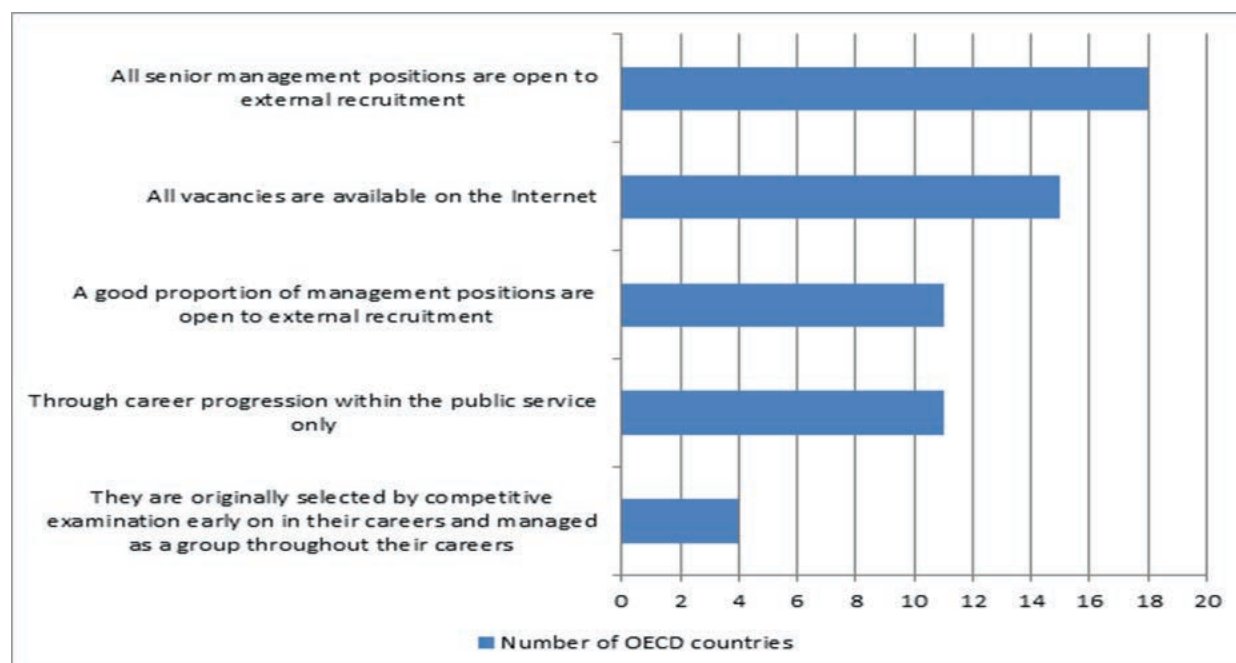
- Effectively assess leadership capabilities and use this to inform appointment decisions.
- Ensure an appropriate degree transparency and accountability for appointment decisions.
- Generate an appropriate level of external and internal candidates for SCS positions.
- Balance the need for political responsiveness with that of merit and stability.

Appointing the right senior manager to the right position depends on the ability to assess leadership skills and competencies in effective ways. Assessments that depend too much on formal criteria, such as length of experience or educational qualifications, are not effective indicators of future performance in roles that require the kinds of competencies identified and discussed in the previous chapter.

Many countries increasingly take a talent management approach to leadership positions, which allows them to identify employees with leadership potential earlier in their careers and support them through various stages as they make their way to the top (this is discussed further in the next section on building the pipeline). Following potential SCS along their careers provides much more data for assessment than an interview, exam, or assessment centre can. However there is also a desire in many OECD countries to bring in more SCS from outside the public sector, to broaden the range of skill sets, backgrounds, perspectives and experience at the top.

Figure 3.6. Pathways to senior management positions in OECD countries

Number of OECD countries, 2016



Source: Source: OECD (2016), Strategic Human Resources Management Survey, OECD, Paris

In about half of all OECD countries, all SCS positions are open to external recruitment. For example, this is the case in traditionally position based systems², such as the Netherlands, Sweden and Finland, while

² Public service systems have been traditionally classified into career-based and position-based systems. In career-based systems, civil servants tend to join the public service at the beginning of their careers, often through general competitions or exams, and rise up through the ranks. In position-based systems, every position is open to internal and external recruitment and civil servants must apply for each specific position. No country is purely one or the other,

also the case in some reform-oriented career based systems, such as Portugal, Belgium, and Australia. Conversely, countries such as Canada, France, Germany and Israel tend to promote from within their ranks.

However, opening up public leadership positions to external applicants does not guarantee their success in the appointment process. In many cases potential external applicants may be less attracted to the jobs, and/or may be at a disadvantage for the position. This is exemplified in the Korean case study where steps have recently been taken to address this situation through reforms to the Korean competency testing model.

Box 3.2. Korea's Competency Assessment for Open Positions

Korea's government runs a mandatory competency assessment process for all senior civil servants. Before they can be appointed to one of the top positions, candidates must pass a daylong series of interactive assessments overseen by a group of well-trained assessors. These include exercises that simulate policy and management problems.

The programme is run and monitored by the Ministry of Personnel Management's (MPM). According to their data, external applicants, were performing less successfully than internal applicants. A number of reasons may account for this. First, internal applicants have more experience with the kinds of policy challenges tested in the exam. Secondly, the internal applicants have more access to preparatory training offered by NHI. Third, the legislation limited the number of times external candidates could apply.

Based on this assessment, the MPM has recently taken new steps to even the playing field by making training available to external candidates and changing the law about the number of applications. Since 2006, the Korean government offered a training programme for external (non-civil servant) candidates for SCS positions. It was initially only 3 hours long but as the demand increased over time, MPM revised the programme into an 8 hour-long course in 2015. In 2018, 103 SCS candidates and 186 division director candidates benefited from this training course. MPM also provides an online tutorial course through their website.

Regulations have also been recently updated based on feedback from candidates. For example, since 2012 external candidates for open positions could be exempted from the assessment when they're applying for highly specialized positions in the field of culture, art, and medical service. In 2016, they also widened the scope of exemption to those who are recognised to have managerial careers in SCS-level positions such as board members in private companies, schools, and research institutes.

Source: Korea's case study conducted for this project.

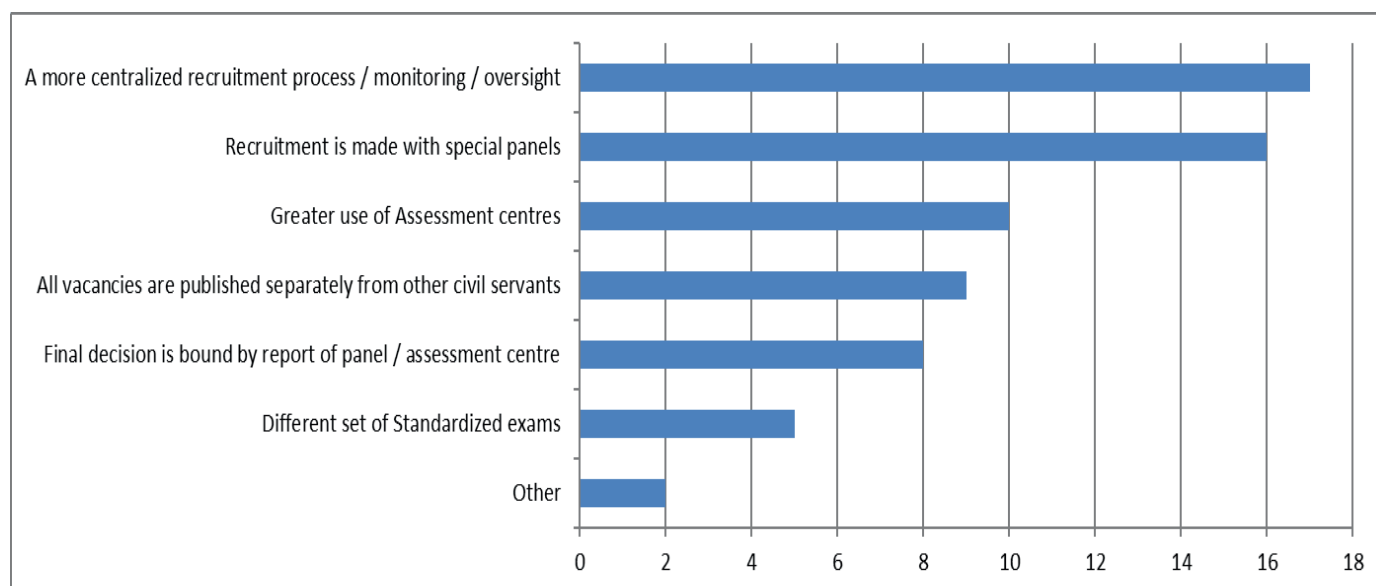
Getting the balance right between internal and external recruitment requires careful consideration of many factors which may be explored in further research. Discussions with country experts suggest that many private sector leaders achieve admirable results in public sector positions, while others produce disappointing results. This may be due to various contextual factors such as goal complexity of the public sector (e.g. multiple bottom lines), political constraints, lack of a personal network, lack of understanding of political systems and processes, greater transparency, and different values. Future research on this theme could look at questions such as:

although large continental European countries tend to be more career-based, while Nordic European countries tend to be position-based.

- What types of positions are best suited to external vs internal candidates?
- How can transversal leadership skills be assessed when comparing different operating environments?
- How can external recruits be supported to learn about the internal mechanics of the public sector and build the networks they need to be effective?

Figure 3.7. Appointing Senior Civil Servants

Number of OECD countries, 2016



Source: OECD (2016), Strategic Human Resources Management Survey, OECD, Paris

Regardless of where public leaders are sourced, they tend to be assessed through separate methods (22 countries) from regular public servants. For example the processes are more centralised in about half of the OECD countries. 15 countries use special panels which usually include members of the SCS group, and sometimes external members representing civil society. In only a few countries, these panels include political representatives.

Leadership capabilities such as those described in the previous chapter are not easy to assess or to certify. It is unlikely that they can be objectively tested in standardized written exams, nor are they easily assessed in the context of a traditional interview setting. Some leading countries use assessment centres, where candidates are presented with simulations and are assessed on their response in real-time. Assessing these kinds of skills is a specific skill in itself. If left in the hands of the peer group alone, chances are more likely that limited knowledge and common decision-making biases will result in less optimal choices.

In Korea's competency assessment for SCS, great care is put into the development of a pool of assessors who come from a range of backgrounds, including retired SCS, HR professionals from the private sector, and certified organisational psychologists. In Estonia, a special excellence centre develops expertise on these issues and conducts a competency assessment of all potential SCS which is taken into account by the hiring panel, on which the head of the centre sits. This enables a more thorough and constructive discussion about a potential candidate and their strengths and potential challenges in the role.

Box 3.3. The Assessors of the Korean competency assessment system

Assessors can be former or current senior civil servants recommended by central ministries, professional experts and professors in the field of public administration, personnel management, business management, or psychology. As of 2018, there is a pool of around 260 assessors.

Since it is very important for the assessors to share a common understanding for the assessment, the Korean government designed a mandatory comprehensive training programme for assessor candidates. This 11-hour long training programme invites 9 candidates, and is conducted 4 times per year; allowing for the development of 36 new assessors every year. Those who finish this programme also need to participate in the assessment as observer at least 3 times before participating as a regular member of the assessment team.

Assessment teams are typically comprised of 4 current or former SCS members and 5 professors/experts. Civilian professors and experts are carefully selected while considering their gender, and balance in their speciality (public administration, business, psychology, etc).

Source: Korea's case study conducted for this project.

Political influence in appointments for SCS positions

The level of political influence in staffing decisions for SCS is a tension in the design of senior civil service systems, with implications for integrity, professionalism, trust and responsiveness. Some systems (e.g. the United Kingdom) have a clear separation between elected politicians and the permanent civil service. Others, (e.g. the United States) incorporate many political appointees into their Senior Civil Service, and hence a greater degree of political influence. Regardless of the system design, the goal is to ensure that the right people, with the right skills, are appointed, and that appointers are made accountable for their appointment decisions through transparent processes. This is further discussed towards the end of this section.

Ministers need to trust their SCS to understand their political ambitions and translate them into effective public policies and services. There is an assumption in many systems that ministerial involvement in appointment decisions can enable the close relationship required for effectiveness, which in turn, should result in a more responsive civil service.

However, there are three significant factors to consider: merit, stability, and independence:

- Merit concerns the professional skills and understanding needed to be effective in this role. Translating political objectives into concrete policies and services requires a deep understanding of the mechanics of the public service and tools and systems needed to achieve the intended results. The case studies highlight the need for skilled public managers who are able to mobilise their networks and their workforce to meet these challenges. Bringing in outsiders who lack this knowledge, relationships and network puts them at a disadvantage, regardless of the level of trust a Minister may have in them.
- The second factor is one of stability. When ministers can choose their SCS team, this can result in a level of instability that may be detrimental to good governance. A new minister, after an election or a cabinet shuffle would often like to bring in their own people, replacing those from earlier, regardless of their level of competence. This instability limits the ability to follow through on reforms, stagnating progress and making it very hard to achieve results. While mobility and

rotation is a necessary part of a senior civil service system, it is least disruptive when handled in a way that does not mirror the political cycles.

- The third is a question of independence. The PSLC recommends that adherents build leadership capability in part by “ensuring senior-level public servants have the mandate, competencies, and conditions necessary to provide impartial evidence-informed advice and speak truth to power”. If the SCS is worried that such evidence based advice and truth to power can result in their dismissal, then one could argue that this principle would not be met.

This raises the following question – can political influence in SCS staffing be exerted in such a way as to still ensure professional merit, stability and independence in the public service? The answers, according to OECD survey data, appear to be yes.

Figure 3.8. Influence in Senior Civil Service Staffing

Number of OECD countries, 2016



Source: OECD (2016), Strategic Human Resources Management Survey, OECD, Paris

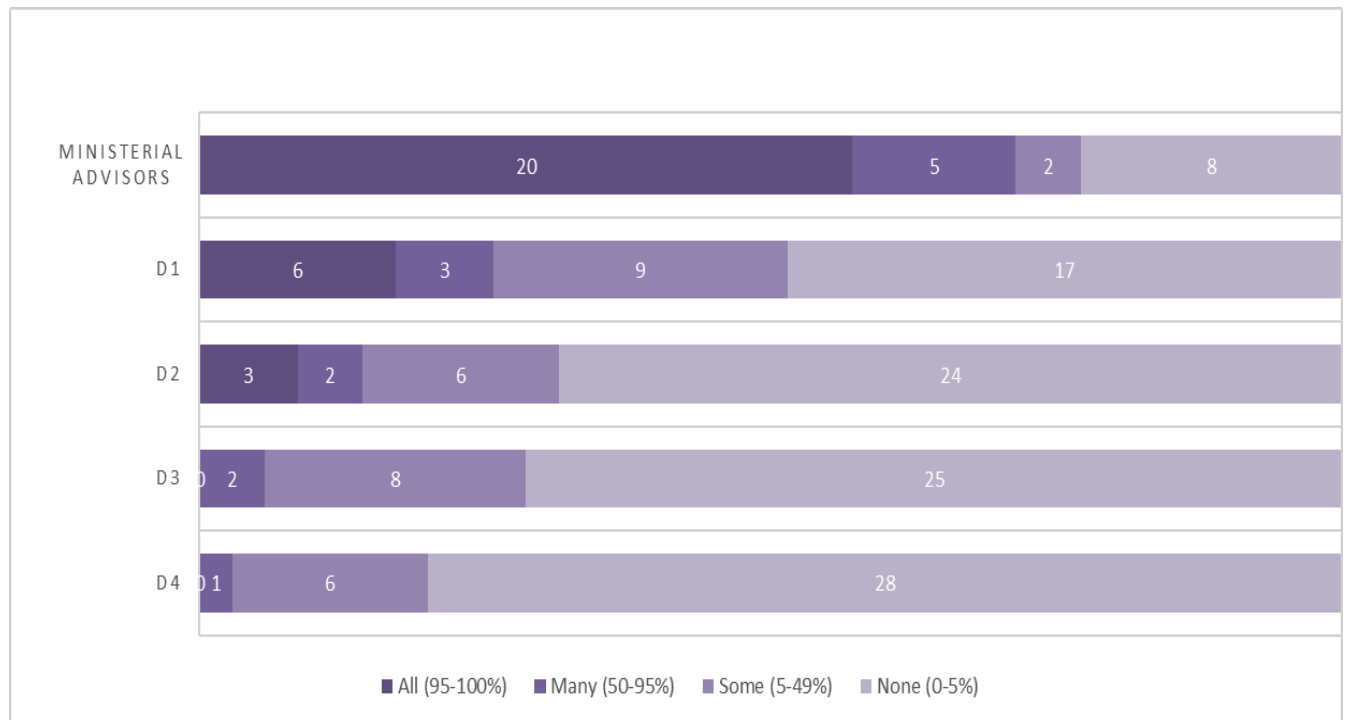
Figure 3.7 above shows the degree of political influence in staffing decision for different levels of SCS. It shows higher political influence in D1 (the highest level of administrative official under the minister – e.g. the permanent secretary, or secretary/director general) and less as one goes down the hierarchy. For example, in 11 OECD countries, the president or prime minister has influence in the appointment of the highest-level SCS (D1 managers), while only 4 countries see their influence at the next level down (D2 level). Ministers have influence at D1 level in 25 OECD countries – a majority – while only 15 countries report this influence extending to D2 and only 7 at D3. On the other hand, HRM departments’ influence

grows at lower levels of management, along with that of the “head of ministry” (which may be political but is often professionalised).

The chart below shows a similar story, but this one looking at stability after elections, as the result of political influence. A comparison of these two charts tells an encouraging story. While 25 countries above report that ministers influence the appointment process at D1 level, only 9 of these countries report high levels of systematic turnover after a change in government. And below D1 level, where operational decision making is often taken, this number is even more significantly reduced.

Figure 3.9. Turnover after change in government

Number of OECD countries, 2016

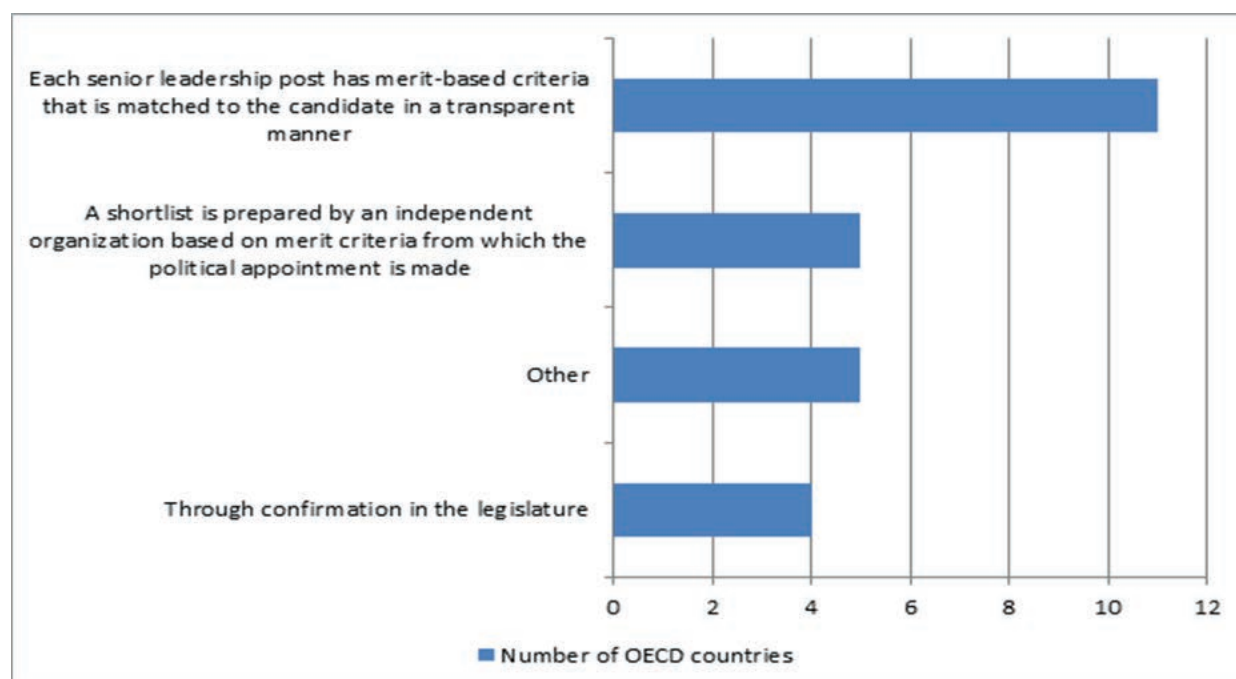


Source: OECD (2016), Strategic Human Resources Management Survey, OECD, Paris

Balancing between political influence and stability can be achieved through protected term limits. Most OECD countries have term limits for SCS positions which do not correspond with political cycles. So while ministers may have a say in the selection of their SCS, they do not always have the power to dismiss them at will. This can also protect their independence.

Figure 3.10. Merit in political appointments

Number of OECD countries, 2016



Source: OECD (2016), Strategic Human Resources Management Survey, OECD, Paris

Merit can also be assured in the political appointment process. The most common mechanism is the identification of merit-based criteria that are matched to the candidate in a transparent manner. In some countries an independent organisation prepares a shortlist based on merit criteria from which the political appointment is made; and sometimes the appointment needs to be confirmed through the legislature. The goal of these systems should be to promote open accountability for appointment decisions, through a transparent vetting of an appointee against a collectively agreed-upon standard.

Box 3.4. Towards and Senior Civil Service System in Brazil

Brazil's presidential governance system gives complete autonomy to the government for the appointment of a high amount of management positions. However the country has begun to place some degree of transparency around this process, along with a few restrictions, to ensure some degree of merit in an effort to rebuild effectiveness and trust. A recent OECD report highlights the following steps:

- Some SCS positions are reserved for civil servants.
- Some minimum criteria are established which should guide ministers in their appointment decisions. Ministers are not obliged to follow them, but they must declare a reason when not. This provides some minimum level of public accountability in a system which had none.
- Some institutions within the federal administration have been developing more complete meritocratic career paths and appointment systems for their SCS positions, which provides examples to build upon.
- Civil society has been working with state actors to conduct merit-based hiring with the hope of building capacity and embedding this in the culture of Brazil's public administrations.

The OECD report commends the government for taking these important first steps towards developing a senior civil service system, but recognises that, alone these are insufficient to ensure leadership skills at senior levels. The recommendations in the report include specific interventions to develop leaders and improve the appointment process.

Source: OECD (2019), *Innovation Skills and Leadership in Brazil's Public Sector: Towards a Senior Civil Service System*, OECD Public Governance Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/ef660e75-en>.

Career management and mobility to develop the pipeline

Key objectives:

- Develop and maintain a pool of candidates with the capabilities and experience necessary to take up SCS positions.
- Identify and support future leaders from within and outside the public service.
- Use a range of talent management tools for future SCS, such as mobility and career path planning, to develop the right kinds of experience needed.
- Position senior management as people developers and hold them accountable for developing the leadership pipeline in their organisations.

A prerequisite to selecting the right people is the availability (i.e. pipeline) of candidates with the needed skills attracted to the SCS positions. The kinds of leadership capabilities described in the previous chapter are not only hard to assess, they also require time and experience to develop. Once in position, SCS need to have these capabilities already formed and ready to be deployed. This suggests that SCS systems need to not only focus on the current top layers of the hierarchy, but also actively build the pipeline of future SCS. This is often done through targeted development programmes, and through mobility arrangements which ensure that high potential leaders gain a range of experience in the positions they hold on their way to the top.

Data published in *Government at a Glance 2019* shows that executive leadership development and coaching is a top priority for 25 OECD countries. However only 14 countries prioritise training for middle management, and only 11 countries identify potential senior managers early on in their career (OECD, 2019^[11]). This raises the question as to whether countries are investing enough in their pipeline of future managers. As some interviewees wondered in the context of the development of case studies, “once they are at the top, is it too late to teach them new ways of leading and managing?”. The Estonian Case study grapples directly with this challenge (see box above).

Box 3.5. Pipeline of future leaders in Estonia

The Top Civil Service Excellence Centre was developed to support leadership across the top two tiers of the civil service bureaucracy. Begun with a narrow focus on competency development, the centre has progressively expanded to include a wider set of lifecycle interventions, including developing competency models, relationship management for potential candidates, recruitment, delivering competency assessments, being on interview panels, delivering coaching and leadership programmes, and the follow-up assessment activities.

Leadership programmes have expanded from Secretary Generals to now include lower levels of SCS, and some have also been developed for high-potential future SCS. These include:

- **Newton programme:** Starting in 2008, the Newton programme targets mid-level managers who are designated as future leaders with high potential. The programme lasts 9 months and is structured around the Centre's leadership competency model. To date, the Newton Programme has trained four cohorts.
- **Fast Track Programme:** The programme focuses on master's graduates and alumni that have strong leadership qualities and long-term goals of becoming top civil servants. The programme is a 2-year rotational programme that seeks to provide enough support that by their 5th year in the public service, they are ready for a leadership position.

Source: Estonian case study conducted for this project

One approach is to expand the tools used to manage the senior civil service to integrate lower levels of management. For example, the Netherlands' Senior Civil Service Bureau's (ABD) scope has been enlarged to oversee recruitment of a wider group of "Senior civil servants" including a large set of the middle management functions, in part to integrate and harmonise pipeline development for this group of future SCS. They have also developed various programme for high-potential future leaders. Both the Estonian and Dutch examples show the potential of developing a pipeline approach even within position based systems, and suggest that integration of employment policies across management levels is one way to achieve this.

The Dutch model also prioritised mobility throughout ones' career to develop a range of experience necessary to be an effective SCS. In order to become an SCS, a Dutch public servants needs to have worked in at least two of the following: ministries/agencies; types of position (e.g. policy vs delivery); sectors/levels of government. This ensures a diversity of experience that can be brought to bear on complex governance challenges, while also valorising mobility in the general civil service. Once a public servant becomes an SCS, they are hired for a maximum 7-year term, but are expected to find another position around the 5-year mark, to ensure mobility within the group of SCS.

Another approach is to train future SCS as a separate group from the start of their careers. For many years, the French Ecole National d'Administration (ENA) provided a training ground for future SCS, followed by a placement systems that aimed to place the top talent in positions that would benefit. This provides a way of integrating new skills into that top group through the ENA curriculum. One attempt to address many of the skills discussed in this report is exemplified through the Public Innovation Chair (see box). France has also developed an interministerial community of potential leaders who are tested and supported through various learning interventions. This then creates a pool of identified talent for future SCS appointments. However, pressures have been mounting to reduce the influence of this group and integrate more experienced managers who work their way up.

Box 3.6. France's Public Innovation Chair (CIP): a new approach to public policies

The CIP aims to be a new space to co-create the 21st century administration through a multidisciplinary and iterative approach to policy making and public service delivery. CIP looks at how public sector innovation challenges the traditional ways of working and affect the way people and resources are managed, and how decisions are made. This means looking at the impact of digital transformation (including digital governance or use of data); user-centered design (starting from the experience of users, civil servants and citizens); and new ways of working (including labs, open innovation, agile innovation, start-up mode).

The Public Innovation Chair works to mainstream innovation, including amongst public sector leaders. By helping senior civil servants understand new ways of working in government, they contribute to government innovation and are better placed to incentivise innovation in the organisations they lead.

CIP's learn-by-doing methodology includes field experimentation, behavioural approaches, design and research. Results of field experimentation are often transformed into case studies and inform the Chair's research activities.

Source: ENA/ENSCI (2017), Presentation of the Public Innovation Chair

An essential necessity to build the pipeline is to ensure that leaders and managers understand and prioritise their role as people developers, since learning opportunities come from the job more than from any development programme. One of Ireland's pillars of the civil service people strategy focused on this particular objective.

Canada takes perhaps the most deliberate approach to pipeline development of any of the countries that participated in this project, bringing together talent assessment, mobility and career management. Their executive talent management framework aims to provide five levels of executives the experience and career development needed to build the right depth and breadth of skills as they rise up through the ranks. The centrepiece of the system are annual meetings where the top levels of leadership discuss and review the talent of their entire executive community and consider their strengths and skills gaps from individual and organisational perspectives. This assessment feeds into career planning so that mobility becomes a tool used to develop an SCS with missing skills and experience (see box 3.7).

Box 3.7. Canada's Executive Talent Management Process

Canada's strategic management of executive talent aims to support the development of an effective and engaged group of senior leaders. The executive talent management cycle encourages ongoing dialogue between managers and their executives throughout the year. The process is structured around 4 phases.

Phase 1: Define Public Service / Organizational Needs

Deputy Heads (the highest ranking senior civil servant of a ministry or agency) and senior managers reflect on results achieved and lessons learned, and implement recommendations from the previous year. Deputy heads and their senior management team must have a clear understanding of the public service and their organization's priorities in order to assess, plan and develop the right mix of executive talent to deliver their mandate.

Phase 2: Know the Community

This phase serves to identify how executive talent can help support and further enhance organizational business needs. Based on an online Talent Management Questionnaire, SCS and their direct reports engage in a one-one-one discussions, which serve as a catalyst for career development, identifying current and future learning and development strategies that are best suited to help individuals reach their potential and meet organizational needs.

Phase 3: Assess the Community

This phase serves to provide Deputy Heads with executive talent management data to support their decision-making. Using this data, senior management engage in a comprehensive review of their

executive talent. The conversations will vary according to each organization, but all should include the following:

- Discussion on their executive talent and the proposed recommendations for each (e.g. need to develop in their role, ready for movement or promotion) within the context of organizational needs;
- Identification of departmental skill shortages, gaps, and a review of critical positions likely to become vacant in the next year, with special attention to organizations that do not have succession plans in place;
- Selection or nomination of executives for key development opportunities (including opportunities for mobility/next assignments);

Phase 4: Communicate

This phase serves to close the loop on the annual executive talent management exercise. Following senior management reviews, executives are provided with specific feedback in order to ensure strong two-way communication and to determine the rollout of training and development activities identified in the talent management questionnaire. The Office of the Chief Human Resources Officer (OCHRO) analyses the data and publishes community profiles to showcase demographics, succession challenges, and diversity gaps, to name a few.

Source: <https://www.canada.ca/en/treasury-board-secretariat/services/performance-talent-management/executive-talent-management-framework.html>

Finally, a small number of countries also consider the external pipeline, although this is less within the scope of their control. The Estonian centre (see box above) considers the pipeline of external talent for SCS jobs. Given that Estonia is a relatively small country, CEOs and other private sector leaders are relatively known and the centre is able to focus some level of resources on tracking their potential and reaching out to them at opportune moments when appropriate positions open and/or when career changes open up opportunities for individuals. This approach to “head hunting” private sector leadership also presents interesting opportunities for pipeline development.

Diversity among senior civil servants

Key objectives:

- Highlight diversity (gender, ethnic, linguistic and social) as a fundamental objective of an effective SCS.
- Track diversity in the SCS and in the pipeline using appropriate data.
- Make HR decisions with appropriate transparency and accountability to reduce bias risks.
- Intervene when analysis shows weak diversity.

The policies and practices discussed in this section have focused on skills and competencies of individuals, however it is also necessary to look across the senior civil service as a whole group, to ensure the right diversity of people, perspectives and backgrounds. Diversity at senior levels is both a moral necessity – to strive to have SCS that are representative of the society they serve. In all OECD countries, the proportion of men in senior management positions is higher than in the general public service – suggesting that women are not rising to the top as quickly. This is an area where all OECD countries still require effort.

But diversity is also a business imperative – as it can contribute to better policy and programme design, and improve governance outcomes for all citizens and residents. Ensuring that the SCS includes, for example, people with different educational backgrounds, different socio-economic backgrounds, and different career experience is necessary to ensure that decisions are made taking into account different perspectives and viewpoints – as is discussed in the open inclusion discussion in the previous chapter.

Box 3.8. Towards Next-Generation Diversity and Inclusion Strategies

Nolan-Flecha (2019^[32]) has recently developed a discussion paper with the PEM on DI that includes consideration of 4 areas the stand to advance policy development in public services. These include:

1. Data analytics: Data enables a deeper understanding of the challenges faced when looking at SCS diversity, but providing a few not only of the current demographics in the SCS group, but also analysing future scenarios, roadblocks for certain groups, and the potential impact of different policy interventions.
2. Behavioural Insights can increasingly explain many of the shortcomings of previous interventions by focusing on the biases inherent in SCS systems and correcting for those through experiments and other adjustments.
3. Leadership is an essential component of an inclusive system and the success of creating a genuinely inclusive SCS, where diversity generates genuine improvement is a fundamental leadership challenge.
4. Governance of diversity and inclusion in the public service is necessary to link the above together, track progress and hold leadership accountable for success.

Source: Nolan-Flecha (2019), "Next generation diversity and inclusion policies in the public service: Ensuring public services reflect the societies they serve", *OECD Working Papers on Public Governance*, No. 34, OECD Publishing, Paris, <https://doi.org/10.1787/51691451-en>.

A diversity and inclusion lens, can, and should be applied to all of the processes above. The way job profiles are defined can favour certain groups over others. Job profiles in some OECD countries must be analysed for gender-biased language. Other examples may include the definition of “gold-plating” educational criteria beyond what is necessary for the job, and which excludes certain sectors of society from applying (e.g. a blanket requirement for master’s degrees for all SCS, regardless of the actual requirements of the position).

Recruitment and selection mechanisms are also areas prone to biased decision-making. There is a well-established literature, which looks at the impact of tools that enable “blind” recruitment and where decisions are made in transparent ways with multiple decision makers agreeing on the outcome.

Box 3.9. Common biases which can impact Diversity of Senior Civil Servants

In her OECD working paper on next generation diversity and inclusion practices for OECD civil services, Nolan-Flecha (2019^[32]) identifies several types of unconscious biases or mental shortcuts which can affect diversity and inclusion in organisations. This inexhaustive list shows the human propensity to surround oneself with like-minded people which can result in behavioural and cognitive homogeneity, regardless of gender or skin colour:

Affinity bias: liking people who are similar to us or remind us of someone we like. This can often result in the same type of person being promoted to SCS positions.

Representativeness heuristic: occurs when decision-makers infer competence of a candidate by looking at a limited amount of information, like the school from which they graduated, rather than the competencies they demonstrate.

Confirmation bias: searching for and interpreting information that confirms one's existing ideas and beliefs. When doing online searching, for example, a hiring manager may look mostly for information that confirms their initial impressions of a candidate and which may be irrelevant to their on-the-job performance.

Groupthink: occurs among groups of people where dissent and deliberation is side-lined in favour of harmony and conformity; where individuals suppress their own opinions to not upset the perceived group consensus (i.e. social desirability bias).

Halo effect: describes how judgements about some aspects of an object may influence how other aspects of the same object are judged. The halo effect may lead recruiters to base their judgements too heavily on a particular achievement, for example, rather than consider the full range of traits and characteristics.

Status quo bias: may cause employers to feel more comfortable to look for candidates who are similar to candidates they have hired before. Equally, the endowment effect may lead managers to value skills and characteristics of current staff disproportionately: possibly blinding them to the benefits of other characteristics.

Stereotype threat: a phenomenon where members of a stereotyped group often perform worse on tests (a naturally stressful situation) when their identity as part of that group is highlighted or they are primed to think about it; a phenomenon that psychologists call stereotype threat.

Sources: "A head for hiring: the behavioural science of recruitment and selection (2015)": <https://www.cipd.co.uk/knowledge/culture/behaviour/recruitment-report#>; https://www.cipd.co.uk/Images/ahead-for-hiring_2015-behavioural-science-of-recruitment-and-selection_tcm18-9557.pdf

In: Nolan-Flecha (2019), "Next generation diversity and inclusion policies in the public service: Ensuring public services reflect the societies they serve", *OECD Working Papers on Public Governance*, No. 34, OECD Publishing, Paris, <https://doi.org/10.1787/51691451-en>.

The Australia New South Wales case study looks at the complexities of increasing diversity at the senior levels for women, and for Aboriginal communities. It shows how a concerted effort driven from the centre of government, and based on data and behavioural insights can result in improvements.

Box 3.10. Ensuring diversity in the New South Wales (Australia) public service

The New South Wales Public Services is one of the largest employers of NSW employing about 10% of the labour force. Following the 2015 New South Wales state election, the Premier identified 12 priorities for the government, each represented by a performance target. Amongst the targets were increasing the share of women in senior leadership roles to 50% and ambitious targets to improve the number of Aboriginal and Torres Strait Islander people in senior leadership roles. The New South Wales Public Service Commission (PSC) was charged with leading on these targets.

The NSW PSC took the lead on centralising data and developing a dashboard of indicators to monitor progress across Departments. It leveraged scenario-based predictive models to identify where targets would be met, and where it was likely they would not be met. "Deep data dives" were conducted to identify potential inclusion barriers affecting specific groups, departments, positions or grades. Additionally, the Commission held regular meetings with Department heads to exchange good practices and provide institutional support when needed. This data-driven, evidence-based approach kept

Departments accountable for reaching targets successfully and focused policy interventions where most effective.

The PSC also worked closely with the NSW Behavioural Insights Unit (found within the Premier's Implementation Unit) to remove biases from recruitment and promotion. Using administration data and information from interviews, it identified potential barriers to women throughout existing HRM processes. Furthermore, the BIU conducted trials with the various Departments to encourage staff members to modify their habitual commuting behaviours and avoid travelling to and from work in the peak hours. They did this by encouraging take-up of existing flexible work policy through several behavioural interventions. By removing stigmas against flexible work, biases that may have hindered women's' promotions in the workplace were shifted.

Source: <https://www.nsw.gov.au/premiers-priorities/world-class-public-service#why-is-this-important-to-the-people-of-nsw>

However, a focus on the entry point will not be enough if the potential pipeline is already biased. Removing bias from all of the feeder paths towards SCS is equally necessary to ensure that all groups and backgrounds find their way to the application process. Some of the examples from the Canadian case study demonstrate this. For example, efforts were made to hire new female scientists, who then faced barriers in career advancement due to a policy which restricted travel to conferences for junior staff. Travel to conferences resulted in studies being published which resulted in advancement. Another example looked at the use of temporary acting positions across the public service, and showed a lack of acting positions given to visible minorities and indigenous employees – two groups which are underrepresented at senior levels. In the Canadian system, acting positions are important ways to develop and demonstrate necessary skills to advance in one's career.

Axis 2: An enabling operating environment

The case studies conducted for this report identify many excellent senior civil servants with the right skills and competencies to achieve real leadership results. However, skills and capabilities alone are not enough to ensure performance. There was a sense of frustration from many of these SCS that they were not able to use all the leadership skills they possess due to the operational environments where they worked.

This section, therefore, looks at the various environment and contextual elements that support, or hinder highly capable SCS from achieving good objectives once in their position. These include accountability arrangements; incentives and performance assessment, and opportunities for learning and development on the job. It also looks at the management tools available to SCS, such as financial and HR tools, data and information, and communications tools that enable and support networking in increasingly digital societies. Finally, this section considers the political context and how the relationship between the government and the permanent administration is structured and managed.

Objectives, Autonomy, and Accountability for results

Key objectives:

- Ensure SCS have tailor-made objectives, which promote change-oriented leadership, in line with government priorities.
- Hold SCS accountable for working towards their objectives in a way that respects public service values and the complexity and uncertainty of their environment.
- Delegate an appropriate level of autonomy and trust aligned to SCS objectives.

SCS leaders need to know in which direction to lead. Objectives can be used to set direction; define accountability and clarify the role and expectations of SCS. Objectives should be ambitious and outcome oriented, in order to motivate SCS and rally various actors around a common sense of purpose. SMART (specific, measurable, achievable, realistic, time-bound) objectives are good for management, but leadership requires something more visionary. Leadership goals should be challenging rather than safe – and SCS leaders should be held accountable for working towards those goals - not necessarily achieving them fully.

Box 3.11. Assigning objectives and holding SCS accountable for transversal results

In the **Finnish** case study, the Government Action Plan (GAP, 2017-19) was created to guide the implementation of the key projects and reforms defined in the government's Strategic Government Programme. The five cross-cutting strategic priorities of the government were translated into 26 key projects. Each strategic priority had a ministerial working group, and each key project had a minister accountable for its implementation. The Government Strategy Secretariat in the Prime Minister's Office tracked and monitored implementation, impact, effectiveness and potential redirection of the key projects. The Government assessed the implementation of the key projects and reforms regularly in its strategy sessions that were held every second week.

In the **Canadian** system, every individual SCS has a set of annual objectives against which they are measured. These include "key commitments" that outline specific achievements expected in a particular year, usually focused on reforms or improvements to the areas under their leadership. They also include enterprise-wide "corporate priorities" which guide the collective efforts of senior leaders as in advancing the mind-sets and behaviours that will result in a more agile, inclusive and equipped public service.

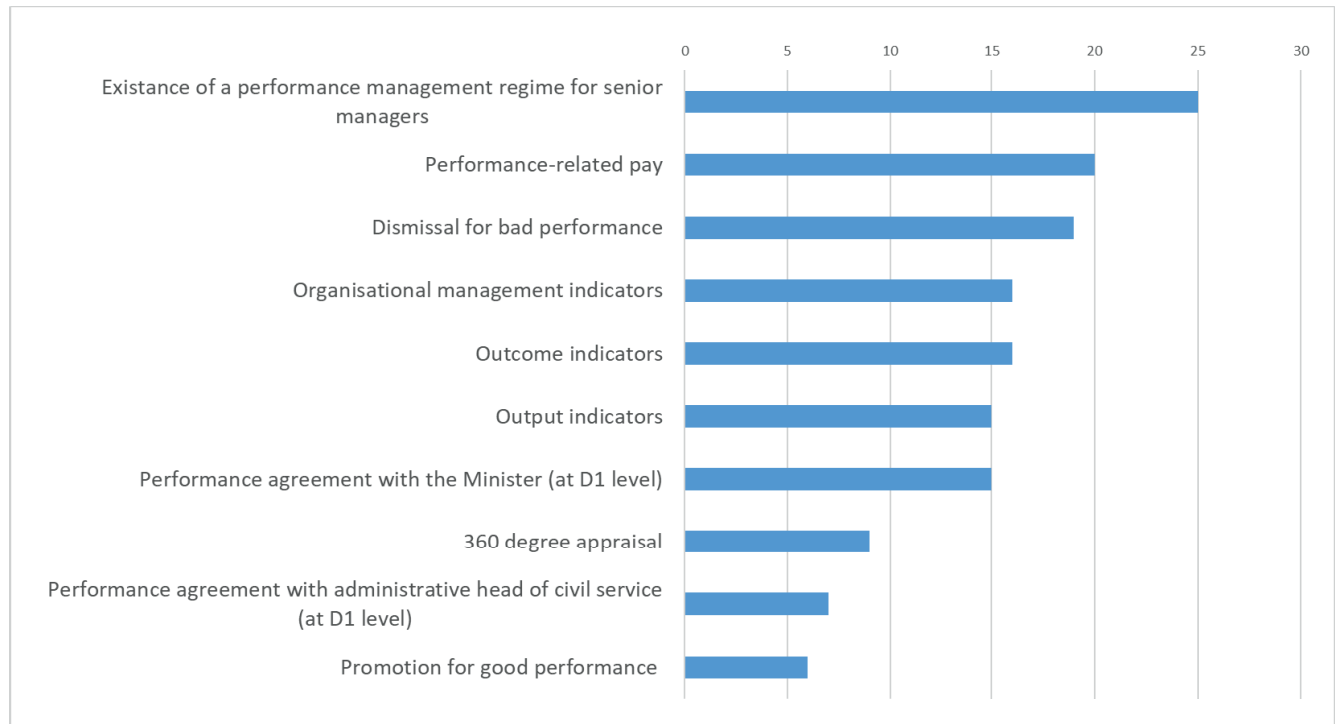
Ireland's Civil Service Management Board was developed to improve collaborative working at the highest levels. In Ireland there is no formal hierarchical relationship among Secretaries General (SGs) and this presents a challenge for formalising collaboration around a common shared vision. In 2014 following various austerity-driven reform programmes, the SGs adopted a new Civil Service Renewal Plan which contained 25 government-wide actions intended to build the capability of the civil service. Each objective was assigned to a lead SG, who had to work with others to advance the government-wide programme. This was a successful way of developing shared ownership and using peers to improve accountability.

Source: case studies developed during the project

The definition of goals and assignment of objectives to SCS works best when done in a formal way. Most OECD countries have a separate and specific performance assessment system that applies to SCS to ensure well-defined goals, aligned incentives and appropriate accountability. The most common features of these systems include extrinsic incentives – performance related pay and the possibility of dismissal for low performance. Most OECD countries also use limited-term appointments for SCS to promote a focus on performance and avoid a sense of complacency that can result from guaranteed permanence in their positions (and to generate mobility). Many of these systems set objectives through specific performance agreements with the minister and/or head of the civil service, and incorporate a combination of output, outcome and management indicators.

Figure 3.11. Features of the performance regime for senior managers

Number of OECD countries, 2019



Source: OECD (2016), Strategic Human Resources Management Survey, OECD, Paris

Leadership goals and objectives also need to take uncertainty and complexity into account, particularly for those SCS involved in innovation and co-creation with stakeholders and partners. In these cases, performance objectives can provide the goalposts, however the exact shape of the process and outputs are difficult to predetermine. One of the risks of objective-based performance systems is that they may over-simplify complexity, reducing focus to a few manageable goals at the expense of a larger picture and/or new priorities that emerge in their work. Under this kind of uncertainty and complexity, performance systems can be designed in a way that provides new information to inform decision-making, and revise goals and objectives as projects develop and change.

Performance systems can also risk reinforcing siloed approaches if SCS are only made accountable for achieving goals under their own organisational authority. When last polled on this question, only 11 OECD countries reported methods to hold SCS accountable for achieving government-wide objectives.

Autonomy is a third element that is necessary for goal-directed leadership. Providing an appropriate level of autonomy in the way work is planned and carried out, and how resources are used, is a prerequisite to create the space for SCS to lead. Autonomy depends on trust and common public values. Performance management systems can integrate values and competencies to specify expectations on *how* objectives are achieved, not only *whether* they are achieved – and this can be the basis for trust and autonomy. Autonomy, along with assigned responsibility and delegated authority, is also a key ingredient of managerial accountability (Klaas, Marcinkowski and Lazarević, 2018^[33]).

Appropriate levels of autonomy can be rather difficult to achieve in public administrations where higher levels of transparency and political sensitivities often result in risk averse environments and ingrained preference for the status quo. Hence, there is a natural tension for public sector leadership to give employees the autonomy to try new things and experiment while protecting public funds and managing reputational risk.

This triangle of goals, accountability and autonomy becomes even more complicated when working in networks with stakeholders and societal partners. For example, SCS in the Netherlands worked directly with stakeholders to advance a mandate to develop novel and innovative public policy solutions. As the SCS work to co-create solutions with stakeholders, the SCS require a high level of autonomy to engage in genuine collaboration and explore novel solutions. However, the line between administrative autonomy and political mandate is not always clear, and this creates challenges to this kind of working, to balance politically sensitivity with stakeholder-responsiveness.

Learning opportunities and peer support

Key objectives:

- Structure opportunities to build SCS networks and enable peer support.
- Provide SCS with tailored coaching.
- Design SCS development programmes to fit the specific contexts and needs of this senior group.
- Manage mobility for individual and organisational learning.

In today's complex and uncertain environment there is rarely a readymade blueprint to guide SCS towards their objectives. Given the speed of change, SCS need to learn as they go, and this puts a heavy premium on opportunities for learning and reflection.

The Dutch leadership model emphasises reflection as one of its core leadership competencies. "The public leader has self-awareness and organizes reflection in the field based on knowledge and practice, asks the right questions and accordingly determines the course and position." (Netherlands Ministry of Interior and Kingdom Relations, 2016^[31]) Executive development and coaching is also a top priority for learning and development across most OECD member countries (OECD, 2019, pp. 120-121^[34]).

However aligning learning activities with the real demands of the job is always a challenge. A few characteristics make this difficult. First, the high demands on SCS time make it hard to put time aside for formal learning and development. Secondly, SCS jobs are varied and specific, making it challenging to apply generic tools and insights. Finally, SCS may not always be open to such learning. There can be tendency at the top to feel like their success is built on a set of skills already well developed which may lead to a more critical orientation to learning and development.

Beer, Finnstrom, and Schrader (2016^[35]) have seen effective leadership develop through experiential training, using systems thinking, and programmes that adapt their methods to the context of the leaders rather than the other way around. Additionally, Rowland (2016^[36]) discusses how leadership development can only be effective if the working environment itself encourages leaders to focus on development, apply the lessons learned, and diffuse learnings within the organisation and invite others into the development process. Without having the right system in place, even the best leadership development programmes will continue to under-deliver if the lessons learned cannot be applied.

In addition to formal training, SCS stand to benefit from opportunities to reflect on their experience and get tailor-made insights and advice to address their unique objectives and context. A key takeaway from the Israeli case study was the close support provided to SCS by a dedicated team at the Civil Service Commission, which SCS cited as essential to success in their emerging role as talent scouts and people developers. Some OECD countries provide both structured and informal opportunities to reflect on success and learn from mistakes. The case studies bring forward a number of tools and models to encourage networking, provide mentoring and peer support (see box), and develop specific training programmes to SCS.

Box 3.12. Networks and peer support for Senior Civil Servants in select countries

In **Ireland**, the civil service management board is formalised structure which brings all Secretaries General together to discuss government-wide challenges and potential solutions. An assistant Secretary General's network provide less formal opportunities for networking around learning events.

Estonia's Top Civil Service Excellence centre brings together top civil servants to participate in the Centre's activities. The development of a trusted network and ability to improve relationships across ministries was commonly cited as one of the most important outcomes of these activities. This is particularly important in Estonia where no hierarchical relationship exists among SGs and few formal structures to direct coordination and collaboration.

In **Finland**, Secretaries General meet weekly for on Monday mornings, and they organise special days with the Prime Minister and other high-level informative and motivational speakers for the broader SCS, which provide opportunities to network. For example, The Ministry of Finance organises an annual Public Management Day with high quality speakers and discussions, including with invited mayors and municipal leaders, to promote networking and cooperation among the whole public sector. Finland has also developed more formalised small peer support groups, made up of approximately 10 leaders in each group, which meet approximately 4 times per year. Participants are stable for at least 2 years in the same group, and SCS talk openly about their experience in a comfortable and trusted environment. These groups also enable the sharing of innovations and collective problem solving.

The **Netherlands'** Senior Civil Service Bureau has set up "Intercollegiate Groups" to help SCS to learn from the insights of their peers. SCS can use these groups to access additional perspective and experiences when in the thick of particularly complex leadership challenges. Groups of 6 SCS commit to meet together 12 times over a period of 2 years. These groups are each supervised by a professional coach, with 1-2 being present at each meeting to facilitate discussions. At each meeting, they focus on a particular SCS and the challenge they face, and use different tools to generate insights from the group, challenge assumptions and look at the problems from different perspectives.

Canada and France have used various approaches to mentoring and reverse-mentoring, whereby senior leaders are paired with younger employees who provide advice to the senior leader on various possibilities regarding the use of social media and the potential benefits of a more digitally advanced workspace, among other things. In France, Digital Mentors allow public managers who are in charge of digital transformation to work with digitally native internal coaches, who present managers different digital concepts (cloud, big data,...) that can provide a solution for specific challenges. Reverse mentoring does not only need to be digitally focused, but can also be a way of sparking new ideas and creating a more inclusive orientation in the senior civil service. Canada had a Deputy Minister (DM) Innovation Committee in which each DM and their reverse mentor participated together, with the mentors treated as equals around the table at these discussions.

Source: case studies conducted for this project

Coaching is another intervention, which is increasingly used. When done effectively, coaching can be a useful and flexible tool tailored to a SCS's own schedule and specific leadership competencies and challenges. Estonia's Top Civil Service Excellence Centre first conducts an individualised competency assessment and then offers leadership coaching to address the gaps identified. The Centre provides 20 hours of coaching every 6 months from certified, independent coaches. In Estonia, coaching has become so popular that some leaders wanted to become certified coaches themselves and the Centre created a coaching development programme.

Coaching programmes can also be targeted towards specific objectives, such as digital leadership. The French case study, for example, looks at the challenge of embedding digital skills and mindsets in the senior civil service. It finds that few SCS self-select to attend voluntary training; and the trainings they can attend are shorter and just scratch the surface. To address this, France's Digital Directorate (DINSIC) is testing a coaching programme where the SCS would be supported by a team including a professional coach and a digital expert.

There is also a place for formal training programmes for SCS but they have to be carefully designed to ensure relevance. Examples in the case studies include very specific programmes designed to bring new ways of working to the attention of SCS. Often focused around innovation and digitalisation, these focused programmes and seminars need to not only familiarise SCS with these different methods, but also to provoke questions about their own leadership styles and how they may need to adjust. For example, one challenge is how to lead across self-directing and multidisciplinary teams common in agile organisations. The UK and Canadian programmes in box 3.13 below provide useful examples.

Box 3.13. Building leaders' skills for digital transformation

UK's Hands on agile for leaders

The GDS Academy course "Hands on agile for leaders" was amongst the first to be developed in 2015. This three-day course is about leading across multiple self-organising, cross-functional teams within a service or programme for senior leaders. It is targeted at senior public service leaders who need to understand how a digital service is designed, delivered and operated, so that they can realise the benefits of digital for citizens, their department and wider government.

Training modules include not only issues like digital capability and governing digital service, but also prepare leaders to new ways of working, building teams or engagement with stakeholders. Participants (senior civil servants Grade 7 or above) have to be sponsored by their organisation, which also needs to have a training agreement with the GDS Academy

Canada's Digital Academy

Since 2018, the Canada school of public Service (CSPA) Digital Academy has focused on senior leadership training. Discover Digital for Executives explores what it means to be a leader in the digital era through foundational digital learning. The methods and mediums of delivery adapt to meet the needs of the SCS and provide a peer connect at the end to work across departments.

To complement this more traditional teaching, the Digital Academy has partnered with leading external partners to curate and deliver asynchronous digital learning that meets the dynamic needs and commitments of senior executives in the Canadian civil service and provincial counterparts.

In 2019-20, the CSPS Digital Academy designed an innovative training program titled DA Premium. A three-month intensive experimental digital learning accelerator resulting in innovative solutions to real government problem statements, it consisted of 100 public servants who completed the journey both in-person and virtually from across the country. Each public servant's manager or executive was also provided with training and involved in the premium cohort to expose them to new ideas and the art of the possible in a digital age.

The outcomes of the training programs are predicated on senior civil servants being able to ask the right questions and provide factual, evidence-informed decisions to elected officials and government goals. More importantly, the learning strategy at the Digital Academic realises that the civil service is central to systemic power structures that have been highlighted by the coronavirus pandemic and recent calls for social justice. The Digital Academy's leadership training is rooted in empathy, ethics-by-design, and recognizing biases that inhibit impartiality. By ensuring the Canadian civil service executives acknowledge their role in policymaking is not neutral to power, the Digital Academy leadership training sets the foundation for a modern, digital government that works for all, not just the privileged.

The CSPS also has a team dedicated to executive learning that is increasingly incorporating concepts on digital and the future of work into their learning programmes.

Source: <https://www.gov.uk/guidance/hands-on-agile-for-leaders-course-description> and information provided directly by the Canadian PEM delegate.

Programmes for the top levels of the SCS also seem to work best when they push SCS to reflect on their own experience and leave a great deal of room for peer exchange and reflection. They can also be used to make SCS aware of new and emerging skills that they should develop in the organisations and bring into their teams. In this sense, they can support the four competencies identified in the previous chapter.

Programmes that bring together leaders from across the civil service, and include leaders from the private sector and NGOs, can lead to networked-collaboration. Programmes that take the SCS out of their day-to-day world to confront new and different voices and perspective can help to generate open and inclusion. Programmes focused on developing awareness and understanding for new and different skills sets can help to inform and enable organisational stewardship. And programmes that provoke an open and honest reflection of values conflicts and tradeoffs in SCS decision making can work to develop and reinforce values-based leadership.

Finally, mobility of senior civil servants is an essential feature, and the balance of length in a particular positions needs to be carefully established. Too much time in a particular position can be stifling for the SCS and the organisation. But not enough limits the ability of the SCS to develop the relationships needed to access and improve organisational culture. In the Netherlands, SCS are expected to spend 5 years in a position, with an upper limit of 7 years. In Canada, SCS usually move to new challenges within three years³. This was recognised as a problem when it came to developing inclusive cultures, since leaders didn't stay in position long enough to make the necessary changes. Whatever the ideal number (probably between 4-6 years), the decisions work best when they are staggered – to avoid too much movement in one organisation at a time, but also when they are used for development purposes. As discussed above, mobility is not effective if it is politically motivated and thereby contributes to instability.

Management tools that are fit for purpose

Key objectives:

- Give SCS an appropriate level of financial autonomy to achieve their objectives within the budget framework, while remaining transparent and accountable. Find ways to fund collaboration across entities.
- Ensure SCS are able to use the HR system to build the right abilities and motivate their teams.
- Provide data and information to enable better SCS decision making.
- Ensure SCS have tools to identify, communicate and collaborate with an increasing range of internal and external stakeholders.

In order for SCS to be successful leaders, they also need access to the right tools to meet the high demands of their job. SCS need financial tools as budget users, HR tools to recruit, develop and allocate skills within their organisations, data and information tools to inform decision-making, and communication tools to manage networks of stakeholders and bring in new voices. The OECD's (2017^[37]) report on *Fostering Innovation in the Public Sector* provides more depth on the way the systems of government can be used to advance innovation, in the hands of skilled public service leaders. This includes chapters on HR, budgeting, and data and information management.

Financial tools

The OECD's Recommendation on Budgetary Governance call for, "allowing some limited flexibility, within the scope of parliamentary authorisations, for ministries and agencies to reallocate funds throughout the year in the interests of effective management and value-for-money, consistent with the broad purpose of the allocation". SCS need to have access to some level of appropriate budget flexibility to spend money in ways that align with their objectives, and the autonomy to make spending decisions that help them achieve their objectives, along with appropriate transparency, scrutiny and accountability.

³ Canadian SCS apply for and are assessed for appointments or accept offers of lateral movement. In Canada, the average time for SCS in a position was 3.3 years for Deputy Ministers and 2.3 years for the SCS levels below them, from 2015 to 2019.

It can be particularly challenging to align budget processes for networked-collaboration, a key leadership capability identified in chapter 2. Traditional budget processes flow vertically, which can make it difficult when collaboration across budget categories is required to achieve results. This issue was demonstrated most significantly in the Finnish case study where Directors General found it difficult to collaborate across ministries while the project budget was allocated to one lead ministry. Looking at ways to align budget allocations and SCS accountability across organisations to support collaboration is an ongoing piece of work that the OECD's Senior Budget Officials and Public Employment and Management working parties are in the process of exploring together. This will be an essential enabler for the implementation of the Sustainable Development Goals.

People management tools

The Finnish case study also identified rigidities in the people management systems, making it difficult to put together task teams to address horizontal priorities. Assembling teams to address emerging challenges is an essential tool to achieve leadership objectives. Leadership is first and foremost about achieving objectives through others, and this requires leaders to be attuned to who their employees are, what they can do, and to develop and motivate a workforce with the necessary skills and opportunities. Indeed, this orientation towards workforce development is a core competency identified in the previous chapter.

However, most HRM systems in governments are not as agile as they could be, and this creates significant leadership challenges. SCS may be constrained by a lack of tools to develop and motivate their workforces. They lack flexibility in their use of recruitment, incentives to motivate and reward, and the flexibility needed to create task teams and allocate particular skills to priority areas. This challenge was demonstrated in Israel where SCS were working in collaborative ways with the Civil Service Commission to be more actively involved in the design of tailor-made recruitment processes for profiles that were particularly hard to attract.

Data and information

SCS also requires data and information, presented in ways that are useful and can drive more effective decision-making. This was particularly well demonstrated in Australia New South Wales, where data and predictive analytics informed complicated discussions about diversity and inclusion of the senior civil service, bringing stakeholders to the table and providing insight into how the decisions of today would impact results into the future. Similarly, people surveys in Ireland demonstrated little appreciation towards an innovation culture in the civil service, particularly at lower levels of the organisations. This data provides a useful tool to track change and address ongoing challenges.

However data and evidence is not always available and useful. The OECD's recent report on a data-driven public sector (OECD, 2019^[38]) presents a framework that enables reflection on the kinds of data that could be used for better leadership in the public service. Data and information is a necessity for networked collaboration, to build common understanding and track progress. For example, an ambition around a well-defined set of wellbeing indicators could help various organisations and their SCS collaborate to achieve improvement. Administrative data and engagement surveys can also be used to more clearly identify organisational stewardship challenges and inform the best ways to address them, particularly in large workforces that characterise public sector agencies.

Box 3.14. Leading a data driven public sector

The OECD's 2019 report, the Path to Becoming a Data-Driven Public Service presents a framework showing how data can be applied to improve leadership focused on public value.

The model proposes that the opportunities of DDPS fall into three categories of anticipatory governance, design and delivery, and performance management:

1. The first phase is “anticipation and planning”, with its understanding of the role of data in designing policy, anticipating change, forecasting need and imaging future possibilities. This highlights the important of data for leadership decision making to look ahead, whether to anticipate a multiplicity of potential futures or in preparing to take action to resolve a particular problem.
2. The second phase, “delivery”, focuses on how data are used on an ongoing basis to shape delivery and draw attention to issues that might need an instant response or improve existing delivery modalities. Here, leaders can use data almost in real time, to address problems before they grow and course correct as needed. This depends on effective performance monitoring and administrative data.
3. Third, “evaluation and monitoring” in terms of measuring impact, auditing decisions and monitoring performance, is focused on retrospectively analysing events that have taken place and drawing insights from the data generated through the “delivery” phase. As such, there is an important feedback loop between this phase and the “delivery” phase. “Evaluation and monitoring” is a critical source of value in its own right, but also contributes significantly to any associated “delivery” and subsequent “anticipation and planning” efforts that look to learn from previous interventions.

Source: OECD (2019), The Path to Becoming a Data-Driven Public Sector, OECD Digital Government Studies, OECD Publishing, Paris, <https://doi.org/10.1787/059814a7-en>.

Communication tools

The SCS role as collaborator and networker requires an additional toolset to reach out and connect to stakeholders. Traditional approaches to stakeholder engagement and consultation are being supplemented by technologies that enable a far greater range of communication and engagement channels. Social media, video conference tools, online consultations, and internet web tools change the way senior civil servants interact and communicate with the world. The potential is significant to leverage these tools to improve the open inclusion of SCS, which is one of the highlighted leadership capabilities from the previous chapter. However, these tools are also disrupting the traditional eco-system of government partners in today's increasingly networked society. In many cases, traditional representatives of special interest groups may no longer have the same representative legitimacy.

At the same time, social media and other modern communication tools create expectations for faster and more spontaneous responses than before. This was highlighted in the Dutch case study where interviewees reported having to spend an increasing amount of time and energy responding to social media “tweets” and comments from individual citizens, usually complaints, about government services (or a perceived lack of), regardless of whether their ministry or level of government was formally responsible.

In many ways SCS are being asked to be much more visible publicly than they had been in the past, while still carefully toeing the line between administrative responsiveness to citizens and ministerial accountability. This is a clear values-tension that was demonstrated in the Dutch case study where SCS

were constantly negotiating their presence in communities with the political and administrative realities of their jobs. It was also apparent in the Israeli case study which focused on the role of SCS in outreach to potential job candidates – a public voice that SCS were not used to using.

Stable and effective political-administrative interface

Key Objectives:

- Stability between the SCS and elected government, to develop trust-based relationships.
- A mutual recognition of roles and responsibilities between political and administrative decision-making, and forums to discuss the spaces between.
- Well-established and commonly understood public service values that guide the relationship and decision-making.

The nature of a political system has a significant impact on the work of SCS, and is also a distinctive feature of public leadership. While SCS in most of the participating countries are themselves professional, objective and non-partisan, their operation environments are very much impacted by the political context and their direct relationships with their minister, the parliament, and the broader public which they serve. The Dutch leadership vision (see box 2.4) presents three roles for SCS – organisational leaders, societal partner, and trusted ministerial adviser. An informal study on the split of time and effort across these three areas finds that much of their SCS's time is spent in this last area.

An individual SCS's relationship with their minister is a factor for success, and contributor to the complexity of their work. In Finland, The changing relationships in the coalition government had an operational impact on the way DGs were able to collaborate across ministries. Many DGs felt that the political demands of their minister created tensions with the operational demands of the collaborative projects they were trying to lead.

This is particularly important when the SCS is trying to lead innovation projects with public funds in politically sensitive and mediatised environments. The risk and uncertainty involved in innovation requires discussion at political levels in order to work towards a common understanding of risk appetite and to ensure that the public and media understand the decision making process. The role of the highest levels of administrative leadership to inform and manage the political interface with respect to risk and experimentation needs to be highlighted and addressed openly. This often depends on the specific relationship between each SCS and their Minister.

A particular tension emerges as the administration is expected to work increasingly closely with the public. Traditionally, the civil service served the public, but elected officials, as representatives of the public, took decisions on which services to provide, and how. SCS were generally invisible in many OECD countries – neither the front-line face of public service delivery, nor the political representative who take credit for policy and service design. But today's focus on co-design and delivery places SCS in increasing contact with citizens, working with them to design new solutions to their problems. What kind of mandates from political authorities is needed for SCS to engage productively with the community? This places the SCS in new and complex values-based challenges, particularly if the values are misaligned between political, administrative and community actors.

The examples above present a few ways in which the quality of the political administrative interface impacts the work of the senior civil service. This relationship, however, is particularly challenging to categorise and assess since it depends on the systems of government, the way SCS are appointed (see discussion on political influence in staffing above) and the quality of relationship between SCS and political official.

Some elements of the political administration relationship appear to be helpful. Stability is clearly important. When there is a clear mandate, SCS have a direction to lead towards. Stability between the government and the SCS is necessary to develop trust-based relationships.

A second important ingredient is common recognition and understanding of roles and responsibilities between the political and administration. Making SCS accountable for management decisions should, in turn, reduce the intervention of political authorities in managerial decisions. But as mentioned above, this is not easy to do in an increasingly transparent and networked society, and in many cases the line between political and administrative is increasingly blurred, even when clear on paper. So while a “hard” separation of powers can be helpful, there also needs to be a softer understanding of how to collectively negotiate the grey zones. A clearly articulated set of public service values can help to guide the relationship and resolve tensions when they arise and can contribute to mutual trust and the culture of respect of (different) roles of politician and senior managerial civil servants. This area would benefit from more research, so as to be treated with the weight it deserves.

Conclusion: Public Service Leadership and Capability recommendations and next steps

Building leadership capability in the senior civil service will require a systemic perspective. The case studies show how no one single intervention can significantly change leadership capability, but rather how multiple reinforcing policies and processes can build the needed skills and operating environment. They also show how leadership capabilities are contextual in place and time. Today’s leadership capabilities may be different from the past, emphasising networked collaboration in addition to hierarchical authority. The case studies show how developing the kinds of capabilities described in the previous chapter will not be achieved through traditional means – new capabilities require adjustments to old systems. And as capabilities are changing, so too must the systems that enable them.

A core tenet of this paper is that leadership has two necessary components – the first is about leading through relationships with others, while the second is about leading them towards something new. The case studies each reinforce the central importance of the senior civil service as a professional and stable institution that is able to take a long-term perspective to public service administration. However, the political context within which SCS work is always at the forefront of their work and requires a careful balancing of proactivity and reactivity to changing political priorities.

Coming back to the OECD Recommendation on Public Service Leadership and Capability, this section will look at how the insights of the case studies can inform adherents in its implementation. The first pillar recommends that adherents, “build values-driven culture and leadership in the public service, centred on improving outcomes for society”. This a core leadership challenge depending on the quality of the senior civil service. To achieve this, the PSLC explicitly recommends adherents to, “Build leadership capability in the public service, in particular through:

- a. Clarifying the expectations incumbent upon senior-level public servants to be politically impartial leaders of public organisations, trusted to deliver on the priorities of the government, and uphold and embody the highest standards of integrity without fear of politically-motivated retribution;
- b. Considering merit-based criteria and transparent procedures in the appointment of senior-level public servants, and holding them accountable for performance;
- c. Ensuring senior-level public servants have the mandate, competencies, and conditions necessary to provide impartial evidence-informed advice and speak truth to power; and
- d. Developing the leadership capabilities of current and potential senior-level public servants.” (OECD, n.d.^[11])

The OECD is developing a PSLC toolkit which will combine elements from research and practice to support adherents in implementing the Recommendation. By way of conclusion, this section develops a cross-

walk between the elements of the framework presented above, and the subprinciples of the Recommendation.

The first sub-principle calls for clearly articulated expectations of leadership, trust and integrity. This is reflected in the framework presented in this report in a number of ways. For example, the use of competency frameworks (section 1 of the tool above) can clarify how SCS are expected to lead public organisations. Clearly defined and individualised SCS objectives (section 5 of the tool) can help to clarify expectations on the contribution of individual SCS to the governments' objectives, and thereby serve as a basis for trust. And the reference to integrity is a key aspect of values-based leadership, requiring SCS to have a clear and common understanding of the values that guide the public service.

The second sub-principle calls for merit-based appointment processes and accountability for performance. This would be most directly related to section 2 of the framework which outlines the range of appointment mechanisms applied in leadership senior civil services. Assessing and analysing leadership capabilities is a particular challenge for senior civil service systems, particularly the type of capabilities identified earlier in the report. Given the lack of certainty in such systems, it is even more important to have appropriate accountability and performance systems in place, which are also highlighted in section 5 above.

The third sub-principle underlines the changing role of senior civil servants and their role as government advisors in many public services. It calls first for a mandate to provide impartial, evidence-informed advice, which requires this to be considered in individual goals (section 5). The reference to competencies suggests not only personal and professional competencies for analysis and advice, which could be part of a competency framework (section 1) but also the need to generate these competencies within their organisations – through the stewardship of the workforce and the data and evidence systems of their organisations (section 7). Finally, to ensure conditions necessary to speak truth to power, senior civil servants require some level of protection from politically motivated dismissal, and a stable relationship with the government based on trust and mutual respect (section 8).

The fourth sub-principle calls for the development of appropriate leadership capabilities. Section 3 and 6 each look at the tools necessary for the management of learning in the core SCS and the pipeline leading up to it. Together the sections present many attempts to develop current and future senior leaders with the capabilities needed to be effective government advisors, trusted societal partners, and leaders of vast and complex government systems and organisations.

However the tools and interventions discussed in this report do not only apply to the one principle of the Recommendation, but also more broadly to all 14 principles, since each of these is a particular leadership challenge. For example, an SCS system that promote values-based leadership is essential to promote values-based decision-making (principle 1), and one which promotes inclusive leadership is necessary to “ensure an inclusive and safe public service that reflects the diversity of the society it represents” (principle 3). Similarly, principle 4, which calls for “building a proactive and innovative public service that takes a long-term perspective in the design and implementation of policy and services,” also depends on a senior civil service system that promotes change and innovation-oriented leadership, and which reduces post-election churn of public officials.

Looking forward

The nine case studies and concepts explored and discussed in this report provide a rich set of insights to help inform countries in their continuous development and improvement of their senior civil service systems. As these systems continue to emerge, the report and the assessment framework can lead to the following activities in the future:

- Public Service Leadership and Capability Toolkit: with the adoption of the PSLC Recommendation, the secretariat is developing a toolkit to support its implementation. This online resource could include an online interactive version of the reflection tool, access to all 9 case studies, the

capabilities framework defined in chapter 2, as well as other useful elements of this report, reframed for easy access and use by OECD countries.

- New comparative indicators: Various data points regarding senior civil service have been collected in the past, and shown throughout this report. This new framework provides an opportunity to reflect on the kinds of indicators necessary to track progress in achieving the PSLC recommendation, and in comparing aspects of Senior Civil Service Systems across the two axes.
- A wider collection of case studies: well developed case studies provide insight and inspiration and learning and reflection tools. The secretariat could continue to develop and collect case studies for a wider cross-section of countries and complex leadership challenges. These could be developed for various uses, including for learning material in leadership development programmes.
- The assessment framework could be applied by the OECD and member countries in the context of peer reviews. The OECD has conducted peer reviews of leadership systems in the past (cite brazil), and this would be an opportunity to further refine the methodology and engage partners in deeper dives into specific challenges related to senior civil service systems.

The report also raises many new and old questions about public leadership and the senior civil service. Some of the key areas that could be ripe for further exploration include:

- Sharing objectives and accountability – how to align systems for better collaboration within and across sectors, in particular in the context of achieving the SDGs?
- Managing the political administrative interface – how can the independence of the senior civil service be balanced with the need for political responsiveness?
- Private sector leadership – how to get the balance right between external and internal recruitments into the senior civil service, and how to ensure that both groups are able to perform effectively?

Annex 3.A. Senior Civil Service System framework for reflection

The checklist that follows is meant to provoke reflection and generate discussion. It translates the key components of each of the sections above into specific statements that should be true for countries to be placed in the effective senior civil service category as defined above. Each of the themes should be ranked on a scale of zero to five – with zero being the negative answer, and 5 being complete agreement with each statement. In most cases, most systems will likely sit in the grey zones between one and four. Rather than calculate a perfect number, the tool is meant to provide a basis for discussions that explore those grey zones in particular contexts to see what is working well, and what could potentially be improved.

Annex Table 3.A.1. A Senior Civil Service System self-assessment tool

Axis 1: Capable Senior Civil Servants	
1. Job Profiles	Score (0-5)
a. Is there a common understanding and expectation for leadership skills across the public service?	
b. Do SCS positions have job profiles which identify the leadership skills required?	
Average score:	
2. Appointing the right SCS to the right position.	Score (0-5)
a. Are highly qualified leaders appointed to SCS positions?	
b. Are candidates matched to positions in a transparent way so that others understand why a particular candidate was chosen for that position?	
c. Is there an ideal balance between external and internal candidates and appointments for SCS positions?	
d. Is there an ideal balance of political responsiveness with longer-term stability?	
Average score:	
3. Pipeline development	Score (0-5)
a. Is there a pool of candidates with the right skills and experience, ready to take up SCS positions?	

b. Are high-potential future leaders identified and supported to build experience through their careers?	
c. Are talent management tools, such as mobility and career path planning, used to develop the right kinds of experience in middle management?	
d. Do senior managers prioritise their role as people developers and take responsibility for developing the leadership pipeline in their organisations?	
Average score:	
4. Diversity	Score (0-5)
a. Is diversity considered as a priority for the development of the Senior Civil Service.	
b. Is diversity tracked using data in the senior civil service and in the pipeline.	
c. Are HR decisions analysed for systemic bias and are the results are used to make appropriate changes?	
Average score:	
Average Axis 1:	
Axis 2: Beyond skills: an enabling operating environment	
5. Objectives, Autonomy, and Accountability for results	Score (0-5)
a. Do SCS have personal objectives that a direction for change-oriented leadership?	
b. Are SCS held accountable for the achievement of their objectives in a way that respects the complexity and uncertainty of their environment?	
c. Are SCS delegated an appropriate level of autonomy and trust to enable them to work towards their objectives?	
Average score:	
6. Learning opportunities and peer support	Score (0-5)
a. Do SCS have trusted peer networks they can depend upon for support and for collective learning?	
b. Do SCS have access to tailored coaching?	
c. Do SCS development programmes fit the specific contexts and needs of this senior group?	

d. Are SCS encouraged to take up new positions at regular intervals to encourage learning, cross-fertilisation of ideas, and renewal?	
Average score:	
7. Management tools	Score (0-5)
a. Are SCS able to use financial and budgeting tools to achieve their objectives in effective ways, with an appropriate level of accountability?	
b. Are SCS able to use HR tools to develop teams, build the right abilities and motivate their employees?	
c. Do SCS use data, evidence and information to enable better decision making?	
d. Do SCS have access, skills and support to use the range of tools available to identify, communicate and collaborate with internal and external stakeholders?	
Average score:	
8. Stable and effective political-administrative interface	Score (0-5)
a. Is there an appropriate level of trust between the SCS and elected government?	
b. Is there a mutual recognition of roles and responsibilities between political and administrative decision-making, and forums to discuss the spaces between?	
c. Are there well-established and commonly understood public service values and norms that guide the relationship and enable fluid decision-making?	
Average score:	
Average Axis 2	

References

- Alford, J. et al. (2017), *Ventures in public value management: introduction to the symposium*, <http://dx.doi.org/10.1080/14719037.2016.1192160>. [20]
- Bass, B. (1997), "Does the Transactional-Transformational Leadership Paradigm Transcend Organizational and National Boundaries?", *American Psychologist*, pp. 130-139. [13]
- Bass, B. (1985), *Leadership and Performance Beyond Expectations*, Free Press. [14]
- Beer, M., M. Finnström and D. Schrader (2016), *Why Leadership Training Fails-and What to Do About It*. [35]
- Brown, M. and L. Treviño (2006), "Ethical leadership: A review and future directions", *Leadership Quarterly*, <http://dx.doi.org/10.1016/j.leaqua.2006.10.004>. [27]
- Bryson, J. et al. (2017), "Towards a multi-actor theory of public value co-creation", *Public Management Review*, <http://dx.doi.org/10.1080/14719037.2016.1192164>. [23]
- Charron, N. et al. (2017), "Careers, Connections, and Corruption Risks: Investigating the Impact of Bureaucratic Meritocracy on Public Procurement Processes", *The Journal of Politics*, <http://dx.doi.org/10.1086/687209>. [9]
- Charron, N., C. Dahlström and V. Lapuente (2016), "Measuring Meritocracy in the Public Sector in Europe: a New National and Sub-National Indicator", *European Journal on Criminal Policy and Research*, <http://dx.doi.org/10.1007/s10610-016-9307-0>. [10]
- Crosby, B. and J. Bryson (2018), *Why leadership of public leadership research matters: and what to do about it*, <http://dx.doi.org/10.1080/14719037.2017.1348731>. [15]
- Davis, J., F. Schoorman and L. Donaldson (2018), "Toward a stewardship theory of management", in *Business Ethics and Strategy, Volumes I and II*, <http://dx.doi.org/10.4324/9781315261102-29>. [26]
- Delizonna, L. (2017), "High-Performing Teams Need Psychological Safety. Here's How to Create It", *Harvard Business Review*, <http://dx.doi.org/10.2307/2666999>. [25]
- Edmondson, A. and Z. Lei (2014), "Psychological Safety: The History, Renaissance, and Future of an Interpersonal Construct", *Annual Review of Organizational Psychology and Organizational Behavior*, <http://dx.doi.org/10.1146/annurev-orgpsych-031413-091305>. [24]
- Fernandez, S., Y. Cho and J. Perry (2010), "Exploring the link between integrated leadership and public sector performance", *Leadership Quarterly*, Vol. 21/2, pp. 308-323, <http://dx.doi.org/10.1016/j.leaqua.2010.01.009>. [4]

- Haq, S. (2011), "Ethics and leadership skills in the public service", *Procedia - Social and Behavioral Sciences*, Vol. 15, pp. 2792-2796, <http://dx.doi.org/10.1016/J.SBSPRO.2011.04.190>. [12]
- Hartley, J. et al. (2019), "Leadership for public value: Political astuteness as a conceptual link", *Public Administration*, <http://dx.doi.org/10.1111/padm.12597>. [18]
- Jørgensen, T. and B. Bozeman (2007), *Public values: An inventory*, <http://dx.doi.org/10.1177/0095399707300703>. [22]
- Klaas, K., L. Marcinkowski and M. Lazarević (2018), "Managerial accountability in the Western Balkans: A comparative analysis of the barriers and opportunities faced by senior managers in delivering policy objectives", *SIGMA Papers*, No. 58, OECD Publishing, Paris, <https://dx.doi.org/10.1787/88be2112-en>. [33]
- Moore, M. (1997), *Creating Public Value: Strategic Management in Government*, Harvard University Press. [19]
- Netherlands Ministry of Interior and Kingdom Relations (2016), *Vision on Public Leadership (the Netherlands)*, Office for the Senior Civil Service. [31]
- Nolan-Flecha, N. (2019), "Next generation diversity and inclusion policies in the public service: Ensuring public services reflect the societies they serve", *OECD Working Papers on Public Governance*, No. 34, OECD Publishing, Paris, <https://dx.doi.org/10.1787/51691451-en>. [32]
- OECD (2020), *OECD Public Integrity Handbook*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/ac8ed8e8-en>. [7]
- OECD (2019), *Government at a Glance 2019*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/8ccf5c38-en>. [34]
- OECD (2019), *Government at a Glance 2019*, OECD Publishing, <https://doi.org/10.1787/8ccf5c38-en>. [1]
- OECD (2019), *Public Value in Public Service Transformation: Working with Change*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/47c17892-en>. [21]
- OECD (2019), *The Path to Becoming a Data-Driven Public Sector*, OECD Digital Government Studies, OECD Publishing, Paris, <https://dx.doi.org/10.1787/059814a7-en>. [38]
- OECD (2017), *Fostering Innovation in the Public Sector*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264270879-en>. [37]
- OECD (2017), *Systems Approaches to Public Sector Challenges: Working with Change*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264279865-en>. [28]
- OECD (2016), *Engaging Public Employees for a High Performing Civil Service*, OECD, <https://www.oecd-ilibrary.org/docserver/9789264267190-en.pdf?expires=1552830486&id=id&accname=ocid84004878&checksum=AC5EA391EA385B0580668D1604A0545C>. [6]
- OECD (n.d.), *Recommendation of the Council on Public Service Leadership and Capability*, OECD/LEGAL/0445, <http://dx.doi.org/OECD/LEGAL/0445>. [11]

- Orazi, D., A. Turrini and G. Valotti (2013), *Public sector leadership: New perspectives for research and practice*, <http://dx.doi.org/10.1177/0020852313489945>. [2]
- Osborne, S. (2006), *The new public governance?*, <http://dx.doi.org/10.1080/14719030600853022>. [30]
- Ospina, S. (2017), “Collective Leadership and Context in Public Administration: Bridging Public Leadership Research and Leadership Studies”, *Public Administration Review*, <http://dx.doi.org/10.1111/puar.12706>. [16]
- Park, S. and H. Rainey (2008), “Leadership and public service motivation in U.S. federal agencies”, *International Public Management Journal*, Vol. 11/1, pp. 109-142, <http://dx.doi.org/10.1080/10967490801887954>. [5]
- Rowland, D. (2016), *Why Leadership Development Isn't Developing Leaders*, Harvard Business School Publishing Corporation. [36]
- Stoker, G. (2006), “Public value management: A new narrative for networked governance?”, *American Review of Public Administration*, <http://dx.doi.org/10.1177/0275074005282583>. [29]
- Treviño, L., L. Hartman and M. Brown (2000), “Moral Person and Moral Manager: How Executives Develop a Reputation for Ethical Leadership”, *California Management Review*, Vol. 42/4, pp. 128-142, <http://dx.doi.org/10.2307/41166057>. [8]
- Van Wart, M. (2013), “Administrative leadership theory: A reassessment after 10 years”, *Public Administration*, Vol. 91/3, pp. 521-543, <http://dx.doi.org/10.1111/padm.12017>. [3]
- Wilson, R. (2013), *A N T I H E R O * The Hidden Revolution in Leadership & Change*, Osca Agency Ltd, <https://osca.co/publications/anti-hero-the-hidden-revolution-in-leadership-change/> (accessed on 1/07/2020). [17]