



The Prospects for Civil Service Reform: Ready, Willing and Able?

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Executive Summary

The purpose of this research document is to offer a brief summary of research undertaken by the Georgian Institute for Public Administration (GIPA) for the UK Government Department for International Development (DfID) project entitled, *Country Governance Analysis – Impact of Civil Service Reforms*.

The primary task of this piece of research is to assess whether the political will exists to undertake significant centrally coordinated Civil Service Reforms. It does not. In spite of considerable international support for reform, institutions that are well placed to make reform happen, a possible new legal framework and sporadic support for reform across all branches of the Government, reform in the Civil Service as a whole continues to be a distant prospect.

The reason for this conclusion is that civil service reform would, in the first instance, restrict the power of the ministers; restricting their right to hire and fire; restricting how much they pay and how they structure their ministries. In a Georgian political and cultural environment, where centralization of power and authority around charismatic leaders is the default position, such a restriction is unlikely to evolve, but needs to result from a political decision on the part of a senior member of the Government. Not only is this political will absent, the only people in the executive well placed to affect this change are actually opposed to it. The institutions mandated to produce the change have been closed down, funds that were intended to start the reform process have been reallocated and international support for reform has been rejected.

In the absence of political will no amount of regulatory change or piecemeal reform is likely to change the nature of the civil service as a whole. Reform in individual ministries may have significant impact but it is hard to know how any reform will become properly institutionalized if new ministers have carte blanche to overturn it. Similarly, legislative change in the form of a new civil service code seems unlikely to be effective since large parts of the current code are ignored.

The appetite for reform in the civil service was clear when the objective was the elimination of corruption and down-sizing. This efforts are also generally considered a success. However since then the process has stalled. As one public administration expert explained to us. ‘We have made good progress in legislative and bureaucratic reforms, reducing red-tape, corruption, etc. But after these initial reforms we did not move forward and there is no political will for significant further reforms’.¹ Without this will, reform, though much talked out, is unlikely to emerge.

¹ GIPA interview with public administration expert and senior member of the civil service, (Oct 2007)

Background

The Rose Revolution of November 2003 represented an unprecedented mandate for change in the Government of Georgia (GoG). However, the Government structures the new GoG inherited reflected an organization that not only depended upon corruption and nepotism but lacked the basic administrative requirements for a modern Civil Service. In reaction to this, the Saakashvili administration has attempted to reorganize the structure of government and, with the help of the international community, provide a new legislative environment within which internal reform can be coordinated.

The Government started by radically reorganizing the basic structure of the executive. Amongst the major changes that have been implemented since the Rose Revolution, 28 old ministries were consolidated into 13 new ones, 18 state departments were abolished and large numbers of personnel at all levels were either replaced or required to re-apply for their old positions in the new ministerial structure.

The OECD report on this process commented in 2006

The new Government introduced active reforms in the area of public administration since it gained power in late 2003. The reforms dealt with difficult institutional issues of central government restructuring and massive re-staffing, as well as streamlining administrative management practices in operation.²

The legislative environment for this reform was set by *the Law on Structure, Responsibilities and the Role and Operation of the Georgian Government* in February 2004. In addition *the Law on Public Service of Georgia* (currently under revision) was passed in June 2004. This set up the Council on Public Service and the Public Service Bureau as the central actors in public administration reform.

A wide range of international organizations have been involved in the reform process. The World Bank offered significant encouragement and financial support for the new Governments reform agenda under its *Reform Support Program*, and UNDP, the IMF and USAID amongst a host of others have all offered considerable funds for this effort.

Methodology

The objective of the research was to give an overview of on-going reform in Public Administration in Georgia and to make an assessment of the political will and practical prospects of reform. In order to conduct this research we spoke to two groups were approached.

² *Istanbul anti-corruption action plan for Armenia, Azerbaijan, Georgia, Kazakhstan, the Kyrgyz Republic, the Russian Federation, Tajikistan and Ukraine: Georgia Draft Monitoring Report (Revision 1)*, Anti-Corruption Division Directorate for Financial and Fiscal Affairs, OECD, (June 2006), p19

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The first group were local and international experts on reform, this included individuals from a range of different organizations that have spent years conducting research on or working with the institutions in question. We talked to international organizations like AED and the World Bank who are currently running large PA reform projects in the Government. Transparency International have been following the reforms as part of their remit on corruption, Georgian Young Lawyers Association wrote an assessment of the new Civil Service Code. Also, we spoke to a range of local NGOs that are conducting trainings of the Civil Servants. Most notably the host institution for this project, the Georgian Institute of Public Administration, conducts a night-school Masters Degree Program for 50 members of the Civil Service every year and the Georgian Foundation for Strategic and International Studies (GFSIS) also conduct public policy development training across the ministries.

The second group we spoke to were individuals across a range of positions within the CS itself, including those carrying out the reform. Given that there is some agreement that human resources is at the core of the CS reform we spoke to the heads of HR in all the ministries. On top of that, we arranged two focus groups with mid-range civil servants from across a range of ministries to discuss their experiences and their feelings about reform. Finally, we talked to a number of senior decision makers directly to at least gauge their official understanding of the situation.

Current situation

The Public Service Council (PSC) and Public Service Bureau (PSB).

In any assessment of the Georgian Civil Service, particularly its attitude towards reform, the evolution of the PSB is likely to be central. The PSB was set up in 1997 as a consultative body of the president. As the former head of the PSB, Kartlos Kipiani explains,

The body was meant to draft reform policy, carry out coordination of various agencies in areas outlined by the Law on Civil Service. Another important direction of the bureau's work was coordination of professional training programs and methodological participation in their development.³

However under Shevardnadze's regime the PSB lacked mandate or administrative structure and so had little or no operational impact on the GoG.

Following the Rose Revolution the PSB was made into the executive arm of the Public Service Council (PSC). The PSC, chaired by the President, is made up of 12 members, 3 from each of the Executive, the legislative, parliamentary and local Government. It was intended to develop overall policy for Public Administration and Civil Service reform. The PSB, was supposed to work out the details and act provide oversight of those reforms.

³ Giorgi Kandelaki, *Civil Service Reform: Next Steps*, Administration of the President of Georgia (2006), p4

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From the start, there was some confusion over where responsibility for Civil Service Reform should lie. As one report of the Civil Service commented

In view of the consideration that a more coordination of the reform efforts across different policy areas are needed GoG established the Office of State Minister for Reform Coordination (OSMRC). Although the Presidential Ordinance clearly puts the Civil Service Council in charge of the civil service reform, the State Minister's Office also considers this policy area under its mandate.⁴

Added to this, there was a disagreement between the two bodies on the direction of the reform.

Until late fall 2006, major policy directions and reform efforts were elaborated through the collaboration of PSB and the OSMRC. However, this experience demonstrated that these two bodies have divergent visions toward major policy areas and advocate different approaches in public service management.⁵

As we will discuss in far more detail below, the philosophical difference between the two related to careerism and institutionalization. While the PSB wanted a centrally coordinated career civil service, the OSMRC wanted a decentralized contractual system.

Nonetheless, as the most obvious recipient body for reform in the Civil Service, the Public Service Bureau attracted considerable attention from the international organizations who saw it as a potential vehicle for pushing the agenda of Public Administration Reform. In 2005/6 the UNDP assigned a grant of 300,000 USD for capacity building within the PSB, 100,000 USD of which was spent on training 6 staff in the psychometric testing and evaluation methods.

DFID, the Netherlands, SIDA and the World Bank were planning to fund a Public Sector Reform Support Project (PSRSP) in 2006. The main tool of the project was intended to be an electronic human resources management information system. This integrated system was intended to include, personnel records management, payroll administration, performance management, selection and recruitment and training and development.⁶ As the World Bank representative told us, 'While we were changing financial management processes everyone felt that HR was being left behind. The PSB project was meant to balance that'.⁷

⁴ *Georgian Public Service Report*, Georgian Foundation for Strategic and International Studies, (December 2006), p4

⁵ *Georgian Public Service Report*, Georgian Foundation for Strategic and International Studies, (December 2006), p4

⁶ *Istanbul anti-corruption action plan for Armenia, Azerbaijan, Georgia, Kazakhstan, the Kyrgyz Republic, the Russian Federation, Tajikistan and Ukraine: Georgia Draft Monitoring Report (Revision 1)*, Anti-Corruption Division Directorate for Financial and Fiscal Affairs, OECD, (June 2006), p19. According to former Director of the PSB, Kartlos Kipiani, this was valued at USD 2.5 million. GIPA interview with Kartlos Kipiani, Former Director of the Public Service Bureau (Oct 2007)

⁷ GIPA Interview with Elena Imnadze, World Bank, Tbilisi, (Oct 2007)

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Finally, in 2007, when USAID assigned \$6 million dollars to its Public Administration Reform Project, 1 million USD was assigned for building capacity in the PSB particularly.⁸

General comment on the PSB's performance, when asked for now, is very bad. Commentators routinely move from suggestions of 'inefficiency' to incompetence. However, one analysis done after their two years was fairly favorable,

Over last two years PSB has produced significant results, which would definitely benefit overall public service reform. Particular attention was paid to building capacity in the training and policy development, as well as in the use of competency statements in the selection of public servants. The agency enjoyed significant donor support that was channeled toward its institutional strengthening and capacity building. Among PSB's major achievements are...[the] introduction of modern methods of personnel selection/appraisal in public service...[and the] elaboration of the Draft Public Service Code. In addition PSB has been involved in creation of the database for the Georgian public service containing information on job descriptions, employee specifications and test results.⁹

At the same time, one must conclude that the various international experts and consultants who assessed their potential could not have thought too poorly of them, since they decided to assign fairly significant sums of money.¹⁰

In October 2006, Kartlos Kipiani, the Head of the Public Service Bureau left his position.¹¹ His deputy replaced him as an acting head, but a permanent replacement has not been recruited and the permanent staff of the PSB has been reduced. From the point of view of all of the organizations we talked to, both inside and outside the Government, the PSB is now effectively dead.

Why Mr Kippiani lost his job exactly is hard to say. Opinions are wide ranging. One suggestion is that the PSB was showing too much independence in its expenditure of international funds and was unilaterally expanding its remit. Others suggest a conflict between Mr Kippiani and Mr Bendukidze on the broad philosophy of Public Service Reform.

Certainly the expanding portfolio and international attention of the PSB could, by itself, have caused some tensions between Mr Kipiani's PSB and the far more powerful Mr Bendukidze's OSMRC. Mr Kipiani himself admits that the way in which some of the

⁸ GIPA interviews with Kartlos Kipiani, Former Director of the Public Service Bureau, Elena Imnadze, World Bank and Larry Held AED (Oct 2007). The 2.5 million USD World Bank money has now been re-assigned to the Ministry of Finance to help develop a broader Human Resource Management System for their one Ministry.

⁹ *Georgian Public Service Report*, Georgian Foundation for Strategic and International Studies, (December 2006), p5

¹⁰ This is not naivety on the part of the research team. We are not suggesting that the institution was in any way ideal. However, the opinion of international experts was and continues to be that the PSB is the best placed institution to carry out centrally coordinated Civil Service Reform.

¹¹ Mr Kipiani himself is very clear that he resigned but everyone else we have spoken to says he was fired.

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reforms started to emerge caused concerns about the growth in power of the PSB. For example, as we will discuss a process has emerged recently that gives some centralized oversight of major restructuring within the Ministries. This will require the OSMRC and the state Cabinet to sign off on the general restructuring plan, but in its original version the PSB would provide oversight. As Mr Kipiani explains,

The idea was that once this was agreed, the actual changes would be worked out with the PSB. But when this was written up many people thought that the PSB would end up as their administrative masters, and no-one wanted this¹²

However, he denies that his departure resulted from conflict with Mr Bendukidze's office and instead suggests that intransigence and indecision regarding civil service reform came from the President's Administration.¹³

Whatever the reason for Mr Kipiani's departure the Governments failure to replace him does seem to reflect at least ambivalence to coordinated Civil Service Reform. Arguments that focus on Mr Kipiani or the failings of the institution under his leadership miss the point. If Mr Kipiani's competence or management philosophy were the problem then he could be replaced. Structurally, the PSB is ideally placed to implement Civil Service Reform since it operates under the direct control of a committee with a range of powerful members.

Similarly, the fact that since then Mr Bendukidze has tried to offer amendments to the new Civil Service Code that would remove the PSC/PSB as the principle agent of reform, highlights his continued hostility to the institution.

Since the end of the PSB, cross-ministerial coordination of human resource reform which was the ambition of the USAID and the World Bank Projects has effectively ended and the money that both of these institutions had planned to spend on the development of the PSB (and through that, general reform) is now working in individual departments.

International organizations saw, and continue to see, the PSB as the natural organ for the coordination and oversight of public sector reform. Out of the nine main recommendations offered by David Chkadua in his report on human resources, all but one of them expected were expected to be carried out, or at least monitored, by the PSB.¹⁴

The UNDP, in the aftermath of the effective destruction of the PSB, has even conducted research to assess the future viability of the organization and its conclusions were positive.¹⁵ Without political will reviving this institutions seems unlikely.

¹² GIPA interview with Kartlos Kipiani, Former Director of the Public Service Bureau (Oct 2007)

¹³ GIPA interview with Kartlos Kipiani, Former Director of the Public Service Bureau (Oct 2007). As we will discuss later it is not uncommon amongst informed outsiders to suggest that the President's administration rather than Mr Bendukidze's office are the main hurdle to reform.

¹⁴ David Chkadua, *Personnel Management Practices in Central Government Organizations of Georgia: Reforms Since 2004*, for PHRD Grant Assignment for the Preparation of Public Sector Management Reform Program (Oct 2005), p15-6

¹⁵ John Chapman, *An assessment of the achievements of the Public Service Bureau, together with recommendations for the future structure, organization and role of the Bureau and an outline plan of*

The existing Public Service Code¹⁶

While there is a new public service code that is currently being considered by the Georgian Parliament, since 1997 the existing public service code (with the 2004 amendments) has provided the legislative framework for the Civil Service, covering issues that include the classification of public servants, recruitment, promotion and dismissal procedures, rights and guarantees, functions of service, ranking, promotion and regular testing (attestation).

On the face of it, the code covers most of the categories one would expect. Articles 39-45 of the code stipulate the process through which the individual is to be appointed. This gives three methods for appointment; from open competition, from a reserve list, or from internal promotion. In the first case jobs have to be advertised and applicants have to be considered by an interviewing committee. The make-up of the committee is decided by the minister and the code requires that it ‘shall include members of trade unions and independent specialists’.¹⁷

However, the human resource experts often complained that the demands of the code in terms of open competitions are overly onerous. Giorgi Chkheidze Director of the Georgian Young Lawyers Association, who has written a review of the new code, agrees. Not only, he argues, does it ‘contain procedures and competition rules that impossible to fulfill’ but it also ‘demands involvement of the PSB in the process when, at the present time, the PSB is lifeless’.¹⁸

As a result, when we talk about transparency and openness of application, as Tamuna Karosanidze argues, ‘It is not the law itself, but the implementation of the law that is the problem’.¹⁹ For a start, since Ministers sit on the committees and have absolute power over final appointments it is hard to see exactly why the code places so much credence in them.

Added to this, it is possible to recruit individuals into the Ministry with the bare minimum of due process by classifying their position in such a way to avoid the terms of the code. I will explain this in the next section.

As the 2005 OECD report states,

action for the period following its relaunch. United Nations Development Programme/Government of the Republic of Georgia (June 2007)

¹⁶ The discussion below is based on general discussions with local and international experts. The GIPA international expert was only able to offer analysis of specific provisions in the 1997 version of the code since this is the only version we could find in English. Where references are made to specific provisions, they are referring to this version.

¹⁷ Article 86, *Civil Service Code of Georgia, 1997 – E* (An English translation of which was provided by Transparency International).

¹⁸ GIPA interview with Director of Georgian Young Lawyers Association (GYLA), Giorgi Chkheidze, (Oct 2007)

¹⁹ GIPA interview with Tamuna Karosanidze, Executive Director, Transparency International, Georgia (2007)

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Although the Law of Georgia on Public Service distinctly states that recruitment in public service shall be carried out through a selection procedure, the procedure is not described in detail. The development of criteria for the selection and recruitment is under the responsibility of Ministers or heads of departments, and differs from one institution to another. The current legislation does not effectively regulate the HR management to ensure impartiality and transparency in the recruitment process.²⁰

Similarly, the code stipulates the various ranks that exist across the ministries (articles 69-71). However, the ranking system, as we will see below, does not confer any significance on those with the particular ranks since there is no standardization of pay or equivalency of rank between Ministries. As a result the ranking system does not help fluidity of movement between the Ministries in the way one would hope and expect elsewhere.

The operation of human resources inside the Different Ministries

Even a Government self-assessment paints a dire general picture of Human Resources in Georgia,

Lack of systemic vision also resulted in the fact that in most cases there are no formalized job descriptions, measurable performance appraisal indicators, duplications are still common, hiring frequently depends not so much on corruption and nepotism, but personal contacts, there is no strategy of training and human resources management, skills of low level managers remain low, public service standards still unapproved etc.²¹

In the face of this it is common to be told that HR reform is a government priority.²² One simple way of assessing the seriousness with which HR is taken within the ministries is to ask civil servants (with no context) what they consider the priorities of their Ministries. We did this with our two focus groups and less than 10% of the respondents put human resources in their top three.²³

In order to try and get a general picture of what is happening inside the HR departments we decided to talk directly to the Ministerial heads of Human Resources.²⁴ We also conducted two focus groups that focused heavily on HR issues.

²⁰ *Istanbul anti-corruption action plan for Armenia, Azerbaijan, Georgia, Kazakhstan, the Kyrgyz Republic, the Russian Federation, Tajikistan and Ukraine: Georgia Draft Monitoring Report (Revision 1)*, Anti-Corruption Division Directorate for Financial and Fiscal Affairs, OECD, (June 2006), p20

²¹ Giorgi Kandelaki, *Civil Service Reform: Next Steps*, Administration of the President of Georgia (2006), p5

²² Particularly when the member of Government knows that you are researching HR reform.

²³ GIPA Focus Group One and Two (17 and 18 Oct 2007), Tbilisi, Georgia And even this might have been an exaggeration since they knew why they were at the focus group generally so might have been primed.

²⁴ Eleven out of the thirteen ministries spoke to us directly, two refused a face-to-face interview with Human Resources but requested written questions. The Ministry of the Interior has yet to send us the answers.

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Vakhtang Lejava suggested that talking to HR departments about HR policy was our first mistake,

Everyone coming from the development world makes the same mistake, they [Human Resource Departments in Government Ministries] keep records and have files and that is all. But because their name is translated into Human Resources international organisations think that they know, but they have no clue. They have no connection to HR policy in the ministries or the Civil Service.²⁵

This observation is almost certainly right historically, but not because HR functions exist elsewhere. As Lejava admits ‘We do not have institutionally crystallized who is responsible for HR’.²⁶

Therefore, in practice, if you want to talk to *anyone* about HR there is no-one else. What is also clear is that, at least in self-perception, the role of HR departments is changing

You can tell the ministries where HR is a priority of the minister, because in those ministries they have a strategic action plans and they have taken concrete steps... In those ministries the HR people have the ear of the minister. Where there is more thought on this, there is more stability.²⁷

Assessing, which departments take HR seriously was not obvious. The easiest method is to simply look at the size of the HR department. Using this judgement, the Ministry of Finance is the most serious with 21 employees, followed by the Ministry of Foreign Affairs and the Ministry of Justice (with 14 and 12 respectively) and (if you combine civilian and military HR people) the Ministry of Defence. Curiously, this very rough and ready estimation matches quite well with the statements of many international experts and our general impression from the interviews.

Responsibility, size and composition of HR Departments

The HR managers that we talked to were responsible for central Ministry personnel. This included Civil Servants and some directly contracted employees. *Legal Entities under Public Law* (LEPL) (like schools in the Ministry of Education or Museums under the Ministry of Culture and Sport) and independent sub-bodies usually have Directors, appointed by the Minister. The Director would then be responsible for personnel. Some of the LEPLs and independent sub-bodies have their own HR departments. Sub-bodies are usually civil servants, members of LEPLs usually are not.

When we asked the HR departments what they felt their responsibilities included, most of them included record keeping and recruitment in their response. Beyond that answers were varied, four suggested some HR planning or policy component to their role, three

²⁵ GIPA interview with Vakhtang Lejava, First Deputy State Minister on Reforms Coordination (Oct 2007).

²⁶ GIPA interview with Vakhtang Lejava, First Deputy State Minister on Reforms Coordination (Oct 2007).

²⁷ GIPA Interview with Elena Imnadze, World Bank, Tbilisi, Oct 2007

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mentioned training, one mentioned assessment and one mentioned promotion.²⁸ HR is in no way connected to payroll in Georgia which, according to the World Bank reduces their incentive to maintain up-to-date records.²⁹

HR departments vary in size, from 21 employees in the Ministry of Finance, to 2 in the Ministry of Culture and the Ministry of Energy. The number of staff in the central structure that they are responsible for ranges between 100 in the Ministry of Energy to 520 in the Ministry of Finance. The average size of the central structure is around 220. This, does not, of course, include the LEPL or the sub-departments.

Recruitment/Selection

The Ministries vary in the process they claim to use (while all, of course, arguing that they conform strictly to the CS code). The Civil Service Code allows for recruitment by reserve list, by public competition and promotion from within. Some of the human resource departments claim to do most of their recruitment by open competition while others say that they heavily recruit from reserve lists and some even admit that they recruit a lot of people directly. However, as already mentioned it is hard to assess how open this process really is since both of the officially open patterns of appointment are entirely compatible with a range of ways in which individuals can be directly appointed.

There are two ways in which it was suggested by HR managers, and members of our focus group, that direct appointments can be made. Direct advisers to the Minister do not have to go through the usual process of application and individuals can be appointed to 'acting' positions. This appointment can last for a considerable time, and even when it does not, an individual already working in a position has obvious advantages over outside applicants in any recruitment process. Added to this since the Minister has a more or less free hand in choosing final appointments, the official method is itself open to some abuse.

The degree of nepotism this produces is extremely hard to judge. Vakhtang Lejava said that he saw no evidence of nepotism, and most of the people we spoke to in the civil service, including our focus groups, said that incidences were rare. However, one source suggested that, '8 out of 10 of my team have no skills whatsoever and I cannot get rid of those 8 because they were given the job by someone more important than me'.³⁰

That said, the majority of people in most of our focus groups seemed to think that appointments were fairly meritocratic (as opposed to dismissals as we will see) and the consensus amongst the HR departments was that applications were still fairly strong and quality was going up. This was less clear when departments were trying to recruit people with financial skills (like in the Ministry of Finance and Ministry of Economic Development) or engineering (like in energy). These people were becoming harder to

²⁸ The Ministry of Finance did not give us an answer to this question, but since they probably have the most well developed HR function we can probably assume that they would have included all of this.

²⁹ GIPA Interview with Elena Imnadze, World Bank, Tbilisi, Oct 2007

³⁰ GIPA interview with public administration expert and senior member of the civil service, (Oct 2007)

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recruit because wage disparity between public service and private life was becoming more pronounced.

But as we have suggested, opinions differ, and while many people inside the service may claim that it is meritocratic, observers outside have not been so sure. In 2005 when one large survey was undertaken in the Georgian CS, the analyst argued that,

Only 11% of respondents state that recruitment in their organization improved substantially [since the Rose Revolution] and 75% of personnel managers say that selection and recruitment is conducted in same fashion as before.³¹

This is not to prejudge the results of this system. As a Vakhtang Lejava, from the Office of the State Minister for Reform Coordination argued, the procedures may not be transparent, but since there is a strong political will to recruit quality personnel, the results are entirely different. This is not, however, a common position.

Dismissal

Like recruitment, power over who, when and for what reason individuals are dismissed is fairly central to the structure of the service and, in particular, whether one considers the service to be a career based and meritocratic. Under the existing public service code the official procedure for firing an employee is difficult and time consuming. Even if employees demonstrates a lack of skills at their attestation they are required to be given time to gain those skills. If they are simply ineffective they have to be given several official warnings.

However, it seems unlikely that these rules are followed in practice. According to the HR managers we spoke to most of the staff who leave, even in times of restructuring, do so voluntarily. This is extremely counter-intuitive until one understands that the easiest way for a minister to dismiss someone is to ask for their resignation.

As Ms Gogorishvili explains,

There already exists a common practice that a new Minister will come in and order everyone to offer their resignations....[Even though] they don't have the right to do this under the legislation.³²

Given that since 2004 the Ministries have changed their Ministers on average approximately every 12 months, this is hugely problematic since new minister often restructure the staff of their ministries bringing in their own people. According to many

³¹ David Chkadua, *Personnel Management Practices in Central Government Organizations of Georgia: Reforms Since 2004*, for PHRD Grant Assignment for the Preparation of Public Sector Management Reform Program (Oct 2005), p6

³² GIPA interview with Khatuna Gogorishvili, Chairperson, Committee of Rules and Procedures, Parliament of Georgia, (October 2007)

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of the people we spoke to, 'when ministers are changing, half the mid-level managers are changing too'.³³

The preparedness to have regular major restructuring in the ministries with subsequent job losses is one of the most common complaints of civil servants. The Director of GIPA, which has 50 members of the Civil Service taking their masters degree every year, says that 'the biggest problem that our students complain about is insecurity in Government work'.³⁴

Similarly, in our focus groups the members offered many stories of mismanaged or apparently inequitable restructuring. One individual was on his third civil service job and was about to enter his third restructuring. Many told stories of long periods of uncertainty when waiting for restructuring and the stress and inefficiency this produced.³⁵

Of course, if you believe in Ministerial autonomy then a lot of this is a good thing (as we will discuss below). And as Vakhtang Lejava argues because of these short-cuts the officially career based is, unofficially, quite similar to a contracted civil service. As he says, 'In reality we have contracts but these are informal agreements'.³⁶

However, what seems to create the greatest sense of frustration amongst staff who are involved in restructuring is the sense that there is considerable arbitrariness in who is fired. While appointment is generally thought to be meritocratic, at least to some degree, this is not the feeling for dismissals in restructuring. As one focus group participant said, 'restructuring does not have evaluations before hand or assessment afterwards. So there is no way of knowing who they need to fire or where their weaknesses lie'.³⁷

Training

The Georgian Civil Service has no centralized Civil Service training function. The Georgian Institute for Public Administration trains about 50 people every year who already have Government positions. They study at night so this does not require time off from work. Almost all of them pay for themselves except a couple who are paid for by the ministries. On top of this the Zhvia Zhvania School of Public Administration does offer some Government funded training of Civil Servants, but most of this is aimed at training regional Government employees, particularly those from ethnic minorities.

None of the ministries that we spoke to, except the Ministry of Justice, have their own training divisions and most said that the Ministries said have practically no budget for training their staff. This in spite of the fact that the civil service code has provisions for facilitating training:

³³ GIPA interview with senior international expert working in human resource reform (Oct 2007).

³⁴ GIPA Interview with Levan Tsutskiridze, Rector of GIPA (Oct 2007)

³⁵ GIPA Focus Group Two Participants, (18 Oct 2007), Tbilisi, Georgia

³⁶ GIPA interview with Vakhtang Lejava, First Deputy State Minister on Reforms Coordination (Oct 2007).

³⁷ GIPA Focus Group One Participant, (17 Oct 2007), Tbilisi, Georgia

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According to Article 48 of the Law on Civil Service, civil servants can get paid holiday of up to three months in every five years for professional training purposes. Despite several proposals, civil servants were not obliged to spend at least several days per year for the same purpose. As a result, no result-oriented comprehensive training programs for the civil service as a whole exist today.³⁸

That is not to say that training does not take place, it is just that in most of the Ministries (except Finance and Justice) it relies on foreign funding and opportunities and it is usually sporadic and uncoordinated. For most of the Ministries, the involvement of the HR department in training is simply to look for foreign funded opportunities and to forward these to Department Heads so that they can submit staff for training.

There are two major problems with this system. First, a surprisingly high proportion of the training takes place out of the country. Some of these are obviously serious and productive. The Ministry of education has an arrangement with the Soros Foundation and Harvard and sends two of their mid-level staff to do Masters in Education, on the understanding that they will work in the Ministry for three years after they get back.

The Ministry of Economic Development, for example, sent 40 people abroad last year (out of a staff of 100) for trainings that lasted from a couple of weeks to a couple of months. However, it seems questionable whether it is efficient to coordinate the training of an entire civil service out of the country since it is unduly expensive and time consuming (even if the Ministry does not pay).

In addition, because these trainings take place abroad they also tend to be looked upon as a reward that many of the staff want to be involved in, whether or not it fits a particular need of theirs. In addition to this, since heads of Department are usually responsible for allocating these trainings, the selection criteria may be sporadic. As one of our focus group participants argued, 'Since no needs assessment is ever conducted, international trainings often go to the same friends of the heads of departments, and not to those who need them'.³⁹

Or in a similar vein, 'we have had the experience where the same people go abroad over and over again'.⁴⁰

The second problem with relying on foreign training is that it is supply rather than demand driven. Since they are looking around for free training opportunities it seems unlikely that trainings will be perfectly suited to the needs of the Department and it seems almost impossible for the trainings to be coordinated into a personnel development plan so that trainings are rarely likely to build-on or compliment one another.

³⁸ Giorgi Kandelaki, *Civil Service Reform: Next Steps*, Administration of the President of Georgia (2006), p11

³⁹ GIPA Focus Group One Participant, (17 Oct 2007), Tbilisi, Georgia.

⁴⁰ GIPA Focus Group One Participant, (17 Oct 2007), Tbilisi, Georgia

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This is not to say that all trainings take place out of the country. Local and international institutions often provide extensive training as part of individual reform or capacity building projects. In addition, some institutions continue to offer generalised training functions over a long period of time. The Georgian Foundation for Strategic and International Studies (GFSIS), for example, has offered trainings to 120 members of the ministries since its Canadian funded trainings started in 2003.⁴¹

Evaluation

There is currently no formalised evaluation in place across any of the civil service. The Ministries of Foreign Affairs, Energy and Finance claim to be developing an evaluation system, but could give no specifics what this evaluation system will look like and could point to no document in which feasibility of analysis for such a system had been conducted.

The closest to thing to an evaluation system is the ‘attestation system’ which is required by the Georgian Civil Service Code. This system requires that every 3 years all members of the civil service have their knowledge-base tested by a committee interview. Articles 81-85 of the current Civil Service Code stipulate the composition of the attestation commission. However, this attestation does not take the form of an evaluation as we normally understand it since it does not take place regularly enough and it is not formally connected to promotion, salary or any bonus system. From discussions with HR managers it seems to have a fairly binary nature, testing to see if people have sufficiently up-to-date knowledge to continue in their jobs, but not really evaluating their overall performance.

This has lead according to some to questionable professionalism in the service,

I would not want to generalize on the professionalism of the civil service. They work long hours and stay late but there is no adequate system for rewarding performance. So you come across a lot of people who are knowledgeable and overburdened and they are looking for other opportunities⁴²

In addition there has been some resistance to formalised evaluation, not only because of the general objections to bureaucratisation already discussed, but also because there is a common feeling that in the clientilistic Georgian context it would be impossible to carry out objectively.

As a recent analysis of evaluation in Georgia commented, there is a feeling among senior officials, ‘that due to cultural peculiarities and personal relations it will almost be

⁴¹ GIPA interview with Eka Metreveli, Director of the Centre for Human Security, Georgian Foundation for Strategic and International Studies (Oct 2007)

⁴² GIPA Interview with Elena Imnadze, World Bank, Tbilisi, Oct 2007

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impossible to perform unbiased and fair appraisal of employees and determination of criteria for fulfilling good quality work'.⁴³

At the present time there are institutional barriers to formal evaluation too. The evaluation processes would be extremely difficult to implement in Georgia at the current time since they would first need a formal demarcation of responsibilities in job-descriptions as well as performance indicators for assessing successful completion of tasks and responsibilities.

Payscale and bonuses

There also seems to be little standardisation in the application of paycales or bonuses. Though the Civil Service code offers a general system of CS ranking this has little impact on the staff. Individuals within different Ministries (of the same rank) are paid significantly different salaries.

Similarly, there is a bonus system in place in most of the Ministries at the moment. This ensures that if Ministries have fewer employees than were allocated to them at the end of the year, the salaries that would have gone to those employees can be distributed as bonuses. So, if the budget allows for 100 employees and only has 90 then the salary of the 10 can be redistributed.

However, most of the time this bonus is not distributed in performance related terms. One of our focus group participants said that his Department gave out a 'best employee of the month' prize of 200 GEL but no-one else mentioned similar systems.⁴⁴ Most of the ministries simply allocate it as 'holiday bonuses'. In a similar way to the evaluation generally, this is often considered more equitable than performance related pay because there is a strong feeling that if bonuses were allocated on the basis of performance, they would not be allocated on merit.

Current Changes

The purpose of this paper is not to adjudicate the debates over civil service reform that are taking place at this time. However, since it is the task of this paper to evaluate the likelihood of any reform, it is necessary to see how the current debates impact on that likelihood. While debate is healthy, and to be expected, in any democratic system undertaking as much change as Georgia it must also be accepted that as a GFSIS report commented, the 'existence of the different players with formal authority to plan and implement public service reform and with divergent visions for this reform, serves as a major impediment for successful reform process.'⁴⁵

⁴³ Natia Janezashvili, *The Means of Integration of the System of Performance Appraisal in Public Service*, Public Service Bureau, Tbilisi, Georgia, 2007

⁴⁴ GIPA Focus Group Two Participant, (18 Oct 2007), Tbilisi, Georgia

⁴⁵ *Georgian Public Service Report*, Georgian Foundation for Strategic and International Studies, (December 2006), p5

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The purpose of the following section will be to look at the debate as it is understood by the participants and outside observers, to clarify the issues it does and does not involve.

The Current Debate: Institutional Limits vs Ministerial Autonomy

For at least the last couple of years there has been a debate taking place as to the future changes to the Georgian Civil Service. At its heart this debate concerns the autonomy that one ascribes to Ministers concerning who and how they should appoint, assess, remunerate and sanction employees. In favour of limitations on Ministerial power is Khatuna Gogorishvili, from the Committee on Rules and Procedures, and (according to her) the bulk of parliamentary MPs. Against these limitations are principally, Kakha Bendukidze, the State Minister of Reforms Coordination and Alexander Lomaia, the Minister of Education, and (according to a range of other sources) much of the rest of the executive.

The Careerist argument

The standard formulation of the debate is that it is all and only about careerism versus contractualism. According to this understanding Ms Gogorishvili's aim is that civil service employees will be recruited and remunerated in order to encourage them to stay in the service for their entire career. To do this, she argues, recruitment and dismissal procedures as well as remuneration need to work in a particular way.

First, it will be necessary to limit Ministerial powers over hiring and firing so that Ministers cannot simply bring in their entire replacement staff when they arrive in a new Ministry.

In the new CSC the envisioned restriction on recruitment will occur through the application of an entrance exam. The restrictions on dismissal will take two parts. First, there will be a formal division in the law between political appointees and normal civil servants (this does not exist in the current code). Second, it will be made even more clear that Ministers do not have the right to remove employees without cause. In a situation with written job descriptions individuals will be susceptible to removal if they demonstrate that they do not fulfil the requirements of their job description.

Finally, remuneration would also be structured to give incentives for people to stay rather than to leave. Since it is accepted from the start that the civil service will never pay as much as private enterprise this argument generally believes that other forms of incentives need to be offered. In particular, very good social provisions (like healthcare benefits and pensions) and greater stability and protection from dismissal are considered useful ways to encourage people to stay in the service for their entire lives.

The argument for the career Civil Service has two parts. First, that the constant removal and replacement of staff results in loss of professional skills and institutional knowledge. In this understanding, working as a Civil Servant requires a skill set that is noticeably

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different to a businessman or a computer programmer. Over time one generates a set of skills in public policy, administration and implementation which make one valuable. In addition, it is suggested that experience provides institutional memory and a specialised knowledge which few outsiders and even fewer politicians are likely to match.

The second argument is political neutrality. In essence, the argument is that one of the key roles of Civil Servants is to offer neutral advice to their Ministers. However, as Ms. Gogorishvili put it,

‘If I am personally responsible for renewing their contracts in two months time, how neutral do you think they will be’.⁴⁶

The Contractualist Argument

The structure of the contractualist civil service is very different. Rather than offering a framework within which individuals can see the Civil Service as a life-long career, the contractualist approach positively encourages short-termism. In the extreme version all members of the Civil Service would be on short-term (no more than three year) contracts.

As a result they would be governed by the labour code and not a public service code. Since this is far less restrictive Ministers would be able to hire and fire more or less who they want. There would be no hurdle to changing employees with Ministerial appointments if this is what they wanted. In terms of remuneration they would be able to offer whatever salary they felt appropriate.

There are five different arguments offered in favour of contractualism. The first is that flexibility in the Civil Service is more important than retention of skills when the country and Government are developing so fast. As Vakhtang Lejava says,

Imagine if 10 years ago you had fixed Government [so that now they would have to be part of the present Government]. You would have 10% of the staff knowing computers and languages.⁴⁷

This is particularly significant, it is argued in such a fast changing environment, since Government needs to be flexible to create and lose Departments and even Ministries as certain problems arise or are solved. For example, one expert we spoke to said,

Obviously in the future we hope there will be no need for a Ministry of Refugees or a state Minister for Conflict Resolution [when the regional conflicts are resolved] or of Energy [when the energy supply problem is resolved]. So it will be possible reduce the size of the Government further. We don't want to have to employ these people for life.⁴⁸

⁴⁶ GIPA interview with Khatuna Gogorishvili, Chairperson, Committee of Rules and Procedures, Parliament of Georgia, (October 2007)

⁴⁷ GIPA interview with Vakhtang Lejava, First Deputy State Minister on Reforms Coordination (Oct 2007).

⁴⁸ GIPA interview with public administration expert and senior member of the civil service, (Oct 2007)

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The second argument given for a contract civil service is that in Georgian society any attempts to restrict political power with centralised rules will simply work to slow reform and create confusion on issues of responsibility. However, the same rules will provide few benefits since the rules will not be followed anyway. As Vakhtang Lejava argues a 'Civil service is not part of the culture now. To tell us that we need to have a civil service is like telling you that they need to have supras in England'.⁴⁹

The third part of the argument for a contract civil service, and connected to the first, is the idea that the best way of curbing bad practice and making Ministries goal oriented is to ensure that all power, and so all responsibility, lies with the Minister. Again Lejava 'if we have clear goals and ministers are personally responsible for outcomes then it is in their best interests to have the best people'.⁵⁰

Fourth, a clear feeling amongst those who make the argument for a career civil service is the idea that really good people are unlikely to *want* a permanent career in civil service. It is hard to say whether this, fairly commonly held feeling, results from post-Soviet attitudes to Government or whether it is simply the extension of Western liberal ideology. Almost none of the people in our focus groups said that they imagined they would stay in the civil service.

Fifth, and in some way the most important is that idea that ministerial autonomy in recruitment can stave off corruption by maintaining fear.

Of course, the division of the two positions is not quite so far apart as above discussion might imply,

Those who oppose a career based civil service quote the example of France where public servants are guaranteed jobs for life. This would obviously be untenable in Georgia...They cannot be guaranteed jobs for life any more than their counterparts in the private sector, but should have the opportunity to train, develop and progress within the civil service as far as circumstances permit. This is what is meant by career based civil service in 2007.⁵¹

This is certainly true, but rather than suggesting that the two sides are closer together than the debate might suggest, it is interesting to note that contractualists have managed to paint the careerist position as so completely inflexible and protectionist. This is almost certainly one of the reasons why some of the principles of the contractualist position are so widely accepted by practitioners and professionals.

⁴⁹ GIPA interview with Vakhtang Lejava, First Deputy State Minister on Reforms Coordination (Oct 2007).

⁵⁰ GIPA interview with Vakhtang Lejava, First Deputy State Minister on Reforms Coordination (Oct 2007).

⁵¹ John Chapman, *An assessment of the achievements of the Public Service Bureau, together with recommendations for the future structure, organization and role of the Bureau and an outline plan of action for the period following its relaunch*. United Nations Development Programme/Government of the Republic of Georgia (June 2007)

Framing the Debate: the role of meritocracy

As much as it is important to understand what the debate is about it is also important to understand what it is not. In a Georgian context the debate is often framed as one between ‘careerism and meritocracy’ as though the careerist approach was not aspiring to produce a meritocratic civil service.⁵² This is a misrepresentation. It is not a debate over the importance of meritocracy in the civil service. Both sides have, at least in principle, accepted that positions in the service, appointments, promotions and termination should all take place according to merit.

However the relationship of both sides to the idea of merit is complicated, and allows both, at different times, to claim that their approach is the more meritocratic. One common characterisation of meritocracy is that ‘though widely varied in its application, [meritocracy] generally means that selection and treatment of government employees should be based on merit or competence rather than personal or political favouritism’.⁵³ To this extent merit is usually juxtaposed to a ‘spoils’ system (from the expression ‘to the victor the spoils’) whereby the winners of elections are expected to reward their supporters with good jobs.

Understood in these terms it is easy to see how the career oriented path could see itself as more meritocratic, since it would be less political. In his analysis of the politicization of the Civil Service in Hungary, Meyer-Sahling, argues that:

It follows that as procedures become less restrictive, the degree of formal politicization increases. Therefore, an institutional arrangement that grants civil service policy authority to political actors and stipulates a minimum of procedural constraints is equivalent to the highest degree of formal politicization of the ministerial civil service⁵⁴

However, this conflict between meritocracy and contractualism is rarely articulated in the Georgian context. In the Georgian debate the contractualists tend to characterise themselves as the more meritocratic because their idea of the system offers few protections for civil servants. In an ideal world this would mean that Civil Servants only get promoted, or even keep their job, if they are good at what they do. Seniority would only confer benefits if it translated into higher performance. In this form of the argument, careerism is not seen as meritocratic because it offers protections to civil servants in spite of any incompetence they may demonstrate.

It is clear, therefore, that both sides have fairly good arguments to claim that their side is the more meritocratic and as such we can essentially assume that the principle of

⁵² This can be seen in Giorgi Kandelaki, *Civil Service Reform: Next Steps*, Administration of the President of Georgia (2006), p8 and was the conventional framing of the debate by the Presidents Administration.

⁵³ Robert B. Denhardt, *Public Administration: An Action Orientation*, Harcourt College Publishers, Fort Worth (1999)

⁵⁴ Jan-Hinrik Meyer-Sahling, ‘Getting on track: civil service reform in post-communist Hungary’, *Journal of European Public Policy* Volume 8, Issue 6 (2001), p962

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meritocracy is not being debated. It is the issue of how you secure meritocracy that is in question.

Nationally coordinated policy

Clearly, immediately after the Rose Revolution there was a consensus that the Government needed to be rationalized, salaries needed to go up and corruption needed to be squashed. This has happened. As a 2006 OECD report states

In the last two years Georgia has made important steps for creating a transparent public administration system and developed the institutional set-up and legal basis. There is clear progress in building a modern civil service. The number of civil servants was reduced, while their wages were raised. Measures were taken to form a service image of the new public and to raising the public trust.⁵⁵

However, there seems to be a consensus that reform has stalled. It continues to focus on the issues of corruption and rationalisation but broader institutionalisation, in whatever form, is not really on the agenda.

New Public Service Code

The one obvious exception to this trend is the new Public Service Code. The new public service code was drafted by a range of people, but over the last two years had been modified by the Public Service Bureau and Ms Gogorishvili's Committee with the help of UNDP and National Democratic Institute (NDI)⁵⁶ According to Khatuna Gogorishvili, the new public service code makes a number of significant changes from the old one. One provision in the new PSC is that it will clearly divide between political and non-political positions,

There is nothing in the current Civil Service Law that stipulates which position is political and which is not. At the moment we have a sense of which position is which but nothing is defined in the law. The new Civil Service Code will clearly define the different positions.⁵⁷

The second major change presented in the new code is that it will bring the regulation of the Civil Service under one law. 'There are currently seven acts that govern the civil

⁵⁵ *Istanbul anti-corruption action plan for Armenia, Azerbaijan, Georgia, Kazakhstan, the Kyrgyz Republic, the Russian Federation, Tajikistan and Ukraine: Georgia Draft Monitoring Report (Revision 1)*, Anti-Corruption Division Directorate for Financial and Fiscal Affairs, OECD, (June 2006), p7

⁵⁶ GIPA interview with GIPA interview with Tamuna Karosanidze, Executive Director, Transparency International, Georgia (2007),

⁵⁷ GIPA interview with Khatuna Gogorishvili, Chairperson, Committee of Rules and Procedures, Parliament of Georgia, (October 2007)

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service. The new civil service code will unify these different provisions into one document'.⁵⁸

Third, the new code will introduce a general entrance exam that all people will have to take before they can enter the Civil Service. This exam, the design and administration of which are still to be decided, would be the first hurdle in any civil service recruitment and would test basic skills in computing, languages as well as basic knowledge of law and government structures. Additional exams or selection procedures could then be applied within the individual ministries.

Finally, the new Civil Service code will actually simplify the process necessary for removing individuals from their positions,

The principle of the new code is the same [as the old one] but the procedures are more flexible. At the moment if someone does not have the skills described in their job descriptions, there are still five steps that have to be taken before I can fire them. In the new code, if it is demonstrated [through attestation] that someone is lacking the skills it will be easier to remove them.

This seems to be contrary to the general principles of career orientation embedded in the rest of the code. However, the simplification is hoped to help careerism precisely because it will make it easier to follow the letter of the law.

Individual Ministries

The changes taking place in the Civil Service Code are certainly significant to the organisation of the Civil Service. However, the code does not, itself, provide a structure for human resources management. In the absence of a functioning PSB, this task has fallen to individual ministries. And it would be wrong to say that since the end of the PSB there has been no human resources reform.

GFSIS has organised a trip to Canada for HR managers and in the aftermath has organised bi-monthly meetings for them but this has yet to generate any serious coordination in policy.

There seems to be some consensus that specific ministries are undertaking reform and are reform oriented when it comes to human resource reform. At the top of these is usually listed, the Ministry of Finance (with the UNDP funded project), the Ministry of Foreign Affairs and the Ministry of Justice. Our interviews with the heads of HR, and our focus groups seem to bear this out. The focus group members from these Ministries and the HR people inside these ministries seem to have the attention of the Ministers. They all, already, have job descriptions developed (at least for some positions).

⁵⁸ GIPA interview with Khatuna Gogorishvili, Chairperson, Committee of Rules and Procedures, Parliament of Georgia, (October 2007)

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Unfortunately, it is extremely hard to understand the extent or the success of these reforms since they are all in their early stages. The Ministry of Justice has reforms taking place under the support of the European Union, the Ministry of Finance, as part of a reform undertaken by the World Bank and the Ministry of Foreign Affairs, according to AED ‘one of the furthest developed in terms of HR policy’⁵⁹ has plans to develop all of the functions of modern HR, but none of them have written plans or a clear timetable for how or when this is going to be carried out.

Prospects for the Future: A Political Estimation

Amongst those who highlight the success or potential for success of civil service reform there are usually three main arguments, the civil service code, the continued existence of the PSB and the Governments public commitments to reform and the effectiveness of piecemeal reform within Ministries. None of these arguments is persuasive and unless there is a considerable political change in focus significant reform is unlikely to take place, with or without money from the international community.

To deal with each of the apparent changes in turn. First, in spite of considerable efforts on the part of its opponents, the Civil Service Code has not, as yet, been killed. According to Ms Gogorishvili it is in the final phase of preparation and may be presented to the parliament as early as next month. She is confident that it will pass. As she said,

All political groups [in the parliament] agree that it is necessary to have a permanent civil service so that it does not matter what political changes occur in the country the civil servants will remain as professionals.⁶⁰

The commentators we spoke to seemed less sure. However, it is unclear whether the new code will make a significant difference. As we have explained at various points, the existing code already contains considerable regulations on recruitment and strong protections for Civil Servants from dismissal. To that extent the Georgian Civil Service is already a career based system. So, if in the current system the problem is not the law but its implementation, how will a legal remedy help?

Even Ms. Gogoishvili admits that with the new code ‘the main problem will be the implementation of the principles’.⁶¹ The new code may make implementation easier if it does simplify certain processes since this may remove some of the incentives to avoid it. But the inclination to treat ministerial autonomy as sovereign is unlikely to be broken

⁵⁹ GIPA interview with Larry Held, Director of AED, Public Administration Reform Project, (Oct 2007). This impression was also confirmed by focus group participant from the MFA and a positive interview with head of HR in the Ministry.

⁶⁰ GIPA interview with Khatuna Gogorishvili, Chairperson, Committee of Rules and Procedures, Parliament of Georgia, (October 2007)

⁶¹ GIPA interview with Khatuna Gogorishvili, Chairperson, Committee of Rules and Procedures, Parliament of Georgia, (October 2007)

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unless a strong political will ensures that the code is enforced in practice, particularly as regards recruitment and dismissal procedures.⁶²

In a similar way, the public service entrance exam could have significant impact, since the exam would automatically create minimal requirements for recruitment. But again, the way in which the exam is formulated, administered and evaluated are crucial. If the exam is ultimately too easy or if it can be circumvented in various ways then it could, once again, create the legal veneer of meritocracy while little exists practically.

One way in which political fibre could be applied to both of these changes is if the PSC and the PSB could be awoken from their present coma. For some the mere presence of the PSB suggests that the potential for change exists since As Temuri Yakobashvili from GFSIS argued, 'There is an appetite for coherent reform. The mistake [of those who think there is no desire for change] is based on the abolition of the PSB... If you wanted to revive it, it is there to be revived. There is an interest but not a priority. It needs someone to push, but probably not foreigners' .⁶³

However, it is hard to see where this 'interest' currently lies. Similarly, one World Bank Representative argued, 'If you look at the documents this [Public Administration Reform] is still on the agenda. They recognise that this will one day be a problem....[however] this is not a priority of the Government, but only individual ministries'⁶⁴ but it is unconvincing to simply cite the formal commitment of Georgia to civil service reform as the basis for any confidence.

It has also been noted on numerous occasions that in FSU countries, the international community has been pivotal in facilitating Civil Service Reform, particularly in the case of EU accession countries.⁶⁵ And in Georgia a range of international organisations and documents to which Georgia is committed seem to encourage it. The European Neighbourhood Policy (ENP) Action Plan⁶⁶, the Organization for Economic Cooperation and Development (OECD) Anti-Corruption Action Plan⁶⁷ which is in turn mentioned in

⁶² That said if the Government is only motivated to keep recruitment flexible, then this could still be compatible with some kinds of institutionalized human resources. Long-term HR strategy would be difficult if employees were assumed to have little longevity, but it would not be impossible if we were thinking in terms of 5-10 years of service.

⁶³ GIPA interview with Temuri Yakobashvili, Executive Vice President, Georgian Foundation for Strategic and International Studies (Oct 2007).

⁶⁴ GIPA Interview with Elena Imnadze, World Bank, Tbilisi, Oct 2007

⁶⁵ Juan Linz and Alfred Stepan, *Problems of Democratic Transition and Consolidation: Southern Europe, South America and Post-Communist Europe*. (Baltimore and London: The Johns Hopkins University Press, 1996). Barbara Nunberg, *The State After Communism: Administrative Transitions in Central and Eastern Europe*, World Bank Regional and Sectoral Studies (Washington: 1999), p47.

⁶⁶ *European Neighbourhood Policy Action Plan*, adopted by Georgian Government (May 2007), p12. (http://ec.europa.eu/world/enp/pdf/action_plans/georgia_enp_ap_final_en.pdf). *Regional anti-corruption action plan for Armenia, Azerbaijan, Georgia, the Kyrgyz Republic, the Russian Federation, Tajikistan and Ukraine: Georgia summary assessment and recommendations*, Anti-Corruption Network for Transition Economies, OECD Directorate for Financial and Fiscal Affairs (Endorsed in January 2004), point 13, p6

⁶⁷ *Regional anti-corruption action plan for Armenia, Azerbaijan, Georgia, the Kyrgyz Republic, the Russian Federation, Tajikistan and Ukraine: Georgia summary assessment and recommendations*, Anti-

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NATO's Individual Partnership Action Plan (IPAP)⁶⁸ all specifically cite the need for public administration reform and reform of the civil service.

However, most of the time these commitments are vague, making references to meritocracy and transparency. As we have already argued, both sides of the debate on public service reform can claim that they are meritocratic and transparent. That said, occasionally these documents call for specific and narrow procedural changes. The OECD in its anti-corruption assessment in 2004 suggested that Georgia needed to,

Strengthen the Public Service Bureau to improve the observance of legal requirements in the civil service at large. Provided that the Public Service Bureau is strongly committed to upholding professional and legal standards in the civil service, it should be vested with powers to enforce legislation, in particular with the help of disciplinary actions'.⁶⁹

The PSB was duly strengthened but as one commentator said, observing the current state of the organisation, 'The PSB was brought into being in reaction to international pressure but when it got to the point of acting it was decapitated'.⁷⁰

Finally, one can argue that, even in the absence of centralised reform, localised reform is taking place piecemeal, providing models for reform across the entire Government. Bendukidze's office, the Ministry of Finance and GFSIS suggested that the foreign over-obsession with centralization tends to distract international organizations from reforms that are taking place within the Ministries. The Ministry of Finance, for example, argues that its HR reform is a 'pilot' project which may well be copied by other ministries if it is successful.

The benefits of centralized reform are that it allows concentration of money, expertise and political will. In addition, it seems more likely that reforms will outlast particular ministers if they have arisen and are evaluated outside of the purview of individual ministers, who may change at any moment. Finally, centralized reforms are more likely to be coordinated, and as has already been said of the civil service in Georgia,

Ministries, departments and agencies rely on different methods which they apply to structural reorganization, planning and merit personnel practices. Reforms at

Corruption Network for Transition Economies, OECD Directorate for Financial and Fiscal Affairs (Endorsed in January 2004), point 13, p6

⁶⁸ *Georgia's Commitments Under the Individual Partnership Action Plan (IPAP) with Nato 2004-2006*, p3

⁶⁹ *Regional anti-corruption action plan for Armenia, Azerbaijan, Georgia, the Kyrgyz Republic, the Russian Federation, Tajikistan and Ukraine: Georgia summary assessment and recommendations*, Anti-Corruption Network for Transition Economies, Directorate for Financial and Fiscal Affairs, OECD (Endorsed in January 2004), point 15, p6

⁷⁰ GIPA interview with local public administration expert, (Oct 2007)

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individual agency level are somewhat fragmented and lack integrated vision and coordination⁷¹

However, civil service reform does not have to occur centrally. The greatest weakness of this report is that it was impossible for us to develop a sense of how comprehensive these individual reforms really are. There seemed to be a consensus in our focus groups that the sheer volume of reforms taking place in individual ministries meant there was *some* kind of appetite for reform. As one participant argued,

The fact that human resource reform is taking place not just in one place but in four or five ministries at the same time, must show that a will [for reform] exists⁷²

Also pilot projects may allow for one model to roll-out to an entire government without being forced on ministries. That said pilot project, properly speaking, are not just internal changes that you hope someone else will recognize and adopt. Saying that something is a pilot project would imply that a system, designed for a range of ministries, was being tried first in one ministry to see how/if it works. The HRM reform in the Ministry of Finance is too early to assess formerly, but it is being formulated with the Ministry of Finance in mind and not the whole Government. Certainly, other Ministries may learn from the MoF experience but this does not make it a 'pilot' scheme since there is no reason to believe it could easily 'roll-out' to other ministries. Also, in the absence of external (non-partisan) assessors, who will say whether it has been a success or not?

The most persuasive evidence, however, for a desire to avoid this kind of reforms comes from the Government's preparedness to remain intransigent even in the face of donor money. As Tamuna Karosanidze points out, 'They know there are international organizations ready to finance Government wide reforms' and even more than that 'The international organizations say that they are prepared to support *any* co-ordinated reform.'⁷³ However, even where considerable funding and support is available the Georgian Government has not been receptive to centralised change, preferring piecemeal change and individual trainings

In the late 2006, for example, a report by the USAID's USD 6 million Public Administration Reform Project stated, even baring in mind the concerns that this research project has already expressed, that 'the government is active and progressive. There is interest at the highest levels to address and solve these issues [of human resource management in the Civil Service], given solutions that are appropriate to the current environment'.⁷⁴

⁷¹ David Chkadua, *Personnel Management Practices in Central Government Organizations of Georgia: Reforms Since 2004*, for PHRD Grant Assignment for the Preparation of Public Sector Management Reform Program (Oct 2005), p4

⁷² GIPA Focus Group One Participant, (17 Oct 2007), Tbilisi, Georgia

⁷³ GIPA interview with Tamuna Karosanidze, Executive Director, Transparency International, Georgia (2007)

⁷⁴ *Public Administration Reform Project: Georgia, Initial PAR Organization Scans: Report of Recommendations* (draft), USAID PAR Project (November/December 2006), p3

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However the story of this project seems to be a cautionary tale of what happens when reform is pursued without political will behind it. While they initially had plans to try and leverage change across the whole government using the PSB they have now given up on these ambitions and instead have fixed on working with Ministries or departments that are interested.⁷⁵

The situation is actually far worse than this suggests. Not only have they changed a range of their target areas, but they have been warned off getting involved in encouraging debates or pushing for change by USAID and, through them, the Presidents Administration.

So, from the analysis above, it seems clear that there is little appetite for coordinated reform across the Government at the moment. The reasons for this resistance are not hard to speculate upon. The Government likes centralisation and ministerial autonomy since they feel it gives them the greatest flexibility. Bendukidze's office have made some efforts to expand this autonomy formally, by suggesting an alternative to the Civil Service Code that formally bases the service on contract, but that is not really necessary since it is already informally in that position. As Tamuna Karosanidze from TI points out, 'The current decision-making process is flexible and they like it that way. For central control they have the right mechanism already'.⁷⁶

Of course, all of this does not mean that people will not change their minds in the future. Mr Yakobashvili from GFSIS argues that the executive is open to persuasion, as he says, 'Bendukidze has a clear philosophy, but he is open to persuasion. [For example] we brought HR managers together and initiated a debate on the role of HR. Bendukidze first said that HR is just record-keeping. But now HR managers have different tasks'.⁷⁷

This may well be true. But based upon evidence to date there seems little reason to see why this would happen. Equally, one interesting observation that has emerged from our interviews is the fact that the Presidents Administration, though publicly less involved in this debate, has also shown little appetite for reform.

'It is unclear whether Bendukidze is the one really responsible for putting the breaks on the reform. The presidents administration have not seemed keen on any Government wide projects either'.⁷⁸

AED in fact said that they were originally arranging a regular discussion on PA reform that Bendukidze would attend, but first he stopped showing up and then they got a call from USAID who had in turn been called by the head of the President's Administration

⁷⁵ They are currently working with the Ministry of Foreign Affairs, Office of the State Ministry of Conflict Resolution (which is not a Ministry), the LEPLs Georgia Public Broadcasting Network, Civil Registry and the Regional Government of Ajara.

⁷⁶ GIPA interview with Tamuna Karosanidze, Executive Director, Transparency International, Georgia (2007)

⁷⁷ GIPA interview with Temuri Yakobashvili, Executive Vice President, Georgian Foundation for Strategic and International Studies (Oct 2007).

⁷⁸ GIPA interview with senior international expert working in human resource reform (Oct 2007).

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and told, in no uncertain terms, that facilitating governmental reform in PA was not their job – that they were supposed to give ‘trainings’ and that is all.

Whoever is directly held responsible for Government intransigence, it seems unlikely that very much will change soon. If the Civil Service Code is passed in a month, it could initiate a new debate on civil service reform. That, combined with individual Ministerial success stories could in-turn change the opinion of the powerful Georgians who could then choose to fight for more serious reform.

This seems unlikely, particularly with as we head into an election year. Public Administration reform is not a saleable election commodity and since the philosophical opinions of key politicians and the desire to keep control central are already working against the case for reform it is hard to see it becoming a major political discussion point in the near future.