DEVELOPING PUBLIC SECTOR LEADERS: AN ANALYSIS OF THE COMPETENCY FRAMEWORK FOR THE ESTONIAN SENIOR CIVIL SERVICE

Jane Järvalt & Mariann Veisson

Abstract

Competency management can be considered one of the central themes in modern public service development. It is seen as a strategic and integrated approach to leadership development. This paper analyzes the development of competency framework for the Estonian senior civil servants. First, the paper examines the concept of competency-based management, its claimed advantages and the potential problems with its use. Second, it describes and analyses the extent of its use in government. Third, it looks in detail at the way competency model has been developed for the Estonian senior civil service. Based on the case study and conducted surveys, it is argued that the adoption of competency framework took place at a critical stage of public service development in Estonia. In the absence of a comprehensive reform, the competency project was seen as a means to fill up a strategic vacuum and bring about necessary changes at the senior civil service level. The case study supports claims that several competencies have a universal validity both for public and private sector managers, but there are also some strategic requirements that are specific for top officials in the public sector. It is concluded that the biggest challenge of the project is still ahead – successful implementation of the competency management in the Estonian senior civil service demands considerable management attention, expertise, contextual knowledge and creation of the ownership of the competency framework among senior civil servants.

Introduction

The importance of public sector leadership development has long been recognised in both academic and applied organisational settings. Yet the subject remains highly topical, particularly in environments that are characterised by wide-scale social, political and economic progress as well as by organisational change. The paper highlights and explores, through the use of a case study of the Estonian civil service, some of the key issues of public sector leadership development that are emerging in countries directed at enhancing their capacities to govern. The main aim of this paper is to analyze the development of competency frameworks as a means of developing strategic leadership in senior civil service. The analysis is based on the Estonian approach for developing their public sector leaders – developing a competency framework for top managers in the Estonian civil service.

Trends such as globalisation and technological advancement create a need for new capacities to exploit new opportunities and put greater demands to public servants. Further, modern management and new approaches to leadership are required, which are better at inspiring professionalism, integrity and accountability in the public service, driving innovation in central government as well as securing coherence and coordination among policies and various interests. The changing environment and the changing expectations of public servants have ensured that developing public sector leaders, in particular top officials (senior civil service) has become a major part of public human resource efforts in several countries. It is seen as a prerequisite for core executive and strategic policy-making.

The leadership development strategies of different countries, historically and culturally are spread across wide spectrum. At the one end is a high level of intervention in which the foundation for the common identity and enhanced capacity is believed to lie in the similar education of officials and in which leaders are identified and nurtured from the early stage through a centralised system, e.g. French ENA (OECD 2001; Randma-Liiv 2004). At the other end there is a group of countries which adopt market-type approaches, i.e. without central intervention to develop public sector leaders. Between the two, there are different mixes. Public service capacity and unity is tried to be achieved through rotation of officials between state institutions (e.g. the UK), or a common senior civil service is established, which has to be above institutional interests (The Netherlands).

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Regardless of the strategies and approaches of developing leaders, the aims of such efforts have been similar. The first aim of developing senior civil service is to promote a cohesive group of top officials, representing not only a departmental resource but also a corporate resource for the service as a whole. That is the level at which civil servants are expected to adopt a more strategic focus, look more widely and network across as well as within departmental boundaries, obtain greater management, leadership and representational responsibilities (Mountfield 1997). The senior civil service is expected to give a clear lead and a sense of direction to the rest of the service; and this often means leading by example. The growing complexity and internationalization of policy issues, the new requirements towards public managers, the stimulation of mobility at the top of administration have also been highlighted as major reasons for creating senior civil service (Hondegheem and Vandermeulen 2000). Moreover, the aim of the creation of integrated senior civil service is to promote the understanding of public interest’s core values and common identity (Randma-Liiv 2004).

The ideas about competency of upper-level public servants – the nature and adequacy of their expertise, knowledge, and capacity – have emerged in the last two decades or so. Reflecting dissatisfaction with their capacity in various roles and concerns about effective leadership in public management competency is a central issue in the ideas of modern reformers. Civil service competency frameworks have appeared in a number of developed countries, including the US, Canada, the UK, Germany, Belgium, the Netherlands, Sweden, and Japan (Hondegheem and Paris 2002, Hood 2004, Löffler 2002).

In attempt to reflect the leadership development through the adoption of the competency framework Estonia has been selected for the case study in this paper. Estonia, which is the country of origin of the authors of the paper, has currently a population of 1.4 million people. Together with other Baltic States, it is considered to be one of the most successful parts of the former Soviet Union since regaining its independence in 1991. The success of the democratic and economic reforms in the 1990s has been rewarded with joining the European Union in May 2004.

It is argued that the development of the Estonian civil service in the last decade, however, has been neither rational nor consistent (Drechsler 1995; Verheijen 1998). As the civil service has been managed in a fragmented way, little attention has been paid to the conscious development of civil service culture or performance at a time when civil servants themselves have been under constant pressure to build up state institutions and develop new functions (Randma 2001). In 2004, a broad strategy document – the Framework Document for Public Service Development was launched outlining the key issues of public service development. Leadership development through the new competency framework was seen as a vehicle for the government’s modernising programme. The direct target group of the competency framework is made up of the top 100 officials out of approximately 20,000 civil servants.

Initially, the paper gives a brief account of the international development of “competency” ideas in management theory and practice. The paper then proceeds to provide an overview of the development of competency-approach in the public sector, tracing the nature and time-patterns of competency reforms. Having established the analytical framework based upon an analysis of existing literature and country experiences, the paper presents the case study of developing a competency framework for top officials in the Estonian civil service. The paper seeks to analyze the objectives and process of defining competency profiles in the senior civil service and demonstrate the progress in the preparatory phase of the implementation of this HR policy. Moreover, the content and relevance of the defined competencies, factors that affect the quality of implementing the competency framework for leadership development as well as preliminary outcomes of the initiative are analysed and evaluated. The paper looks at the commonalities and differences in competency reforms for upper-level civil servants in Estonia against the other countries’ experience.

1. Competency Development as a Management Idea

The competency approach supports a strategic and integrated approach to developing strategic leadership. Although there are many ways competencies can be defined, the idea of defining it as “an
underlying characteristic of an employee which results in effective and/or superior performance in a job” is broadly accepted (Boyatzis 1982). A competency framework or model provides a measurement instrument by which competencies can be expressed and assessed. Competency-based management refers to the application of a set of competencies to achieve both excellence in performance and results that support the organization’s strategies. Thus, competencies are often seen as a tool of expressing what is valued by the organisation as well as defining what characteristics have been seen to result in excellent performance (Torrington et al 2002). It also means giving employees a systematic approach to expanding and using their full capabilities and linking individual development with organizational strategy. Employee competencies represent an organization’s capacity to turn leadership strategies into reality.

In addition, competencies provide a critical mechanism for integration of human resource practices which is considered essential to a strategic approach. More specifically, competency models provide the “glue”, necessary among the elements of HRM systems in order to take a unified and coordinated approach. Once a competency framework has been researched and designed it can be used in recruitment, selection, training and development, performance management and reward systems (Hondegem 2002; Horton 2000).

The research on managerial competences has increased since Boyatzis (1982) identified the competences specific to managerial effectiveness (Virtanen, 2000). Boyatzis (1982) developed a model of management competencies with 19 generic competencies that outstanding managers tend to have. Although managerial functions can be similar across private and public sector, the context in which public sector leaders operate sets the framework and define the differences in competencies (Noordegraaf, 2000). In his research Noordegraaf (2000) points out three clusters of competencies of public managers, who act as professional sense-makers: interpretive competencies describe managers, who know how to resolve a basic informational tension and to perceive political cues, stimuli and triggers and to relate them to new or existing issues; institutional competencies describe how to define, initiate and guard new and existing issue streams; textual competencies describe the behaviour of using words and textual tone to bring issues and polices ahead. Thus, the uniqueness of the competent public sector leader is the ability to operate in a context where one has to stay within concrete frameworks and at the same time, is influenced by political situation that could be unstable. In Noordegraaf’s (2000) view, public managers play in a way political role by helping politicians to establish shared interpretations.

In his article of changing competencies of public managers, Virtanen (2000) also agrees that task and professional competencies are in many ways the same for both private and public sector. However, senior civil servants have political and ethical competences that differentiate them from private sector managers. He argues that the literature on managerial competencies has not adequately stressed the importance of the value contents of competencies that express the commitment of managers. His framework describes five major competency areas: task competency, professional competency in substantive policy field, professional competency in administration, political competency and ethical competency.

Criticisms of the competency approach have been focused around the complex process required to research the appropriate competencies, and more importantly, the fact that such competencies, due to the research process itself will be inevitably backward looking rather than future orientated. Competency models can become outdated as fast as the organisation that developed it faces new external environmental challenges or changes its services. Therefore, interactive and continual competency identification, modelling and assessment need to be ensured (Rothwell and Lindholm 1999). Also, competencies have been criticised because they can be limiting and misleading if they are used alone, without taking wider perspective (Torrington et al 2002). Less valid and reliable competency models can result in negative outcomes because they add nothing when the competencies are too “generic”. Other critics have warned that the intention of modelling competencies often results in a simple list making. This could bring out many attributes that may have nothing to do with leadership effectiveness. Also, often there is no clear strategy that would tell how people could acquire
the competencies on the list (Dalton, 1997). Other potential problems in implementing competency frameworks are related to complicated evaluation systems of competencies and little connection with the work itself.

For the competency models to be effective, several standards need to be developed. It has been maintained that competency models have to be aligned with the organisational goals and objectives. Also, it is important that research and development methods produce valid and reliable competency models. Organisation leaders have to consistently endorse and support the use of competency-driven approach as a key ingredient to the organisation’s strategic success. Competency models are expected to be sufficiently comprehensive to identify the competencies that distinguish exemplary employee performance.

2. The Development of Competency Frameworks in Government

Competency frameworks designed to improve and make clear the capabilities and skills of upper-level bureaucrats have been applied to the US Senior Executive Service (SES) since 1979. Such frameworks have been more recently emerged in several other developed countries, including the UK, New Zealand, Sweden, Finland, the Netherlands, Belgium, Germany, and Japan (Hondeghem 2002; Hood 2004, Horton 2002). Thus, it could be argued that “competency” ideas for upper-level civil servants development are applicable both in closed career systems (Belgium, Germany) and in open position systems (the UK, Sweden). Although public organizations started to pick up the idea in 1980s and 1990s, with the advent of New Public Management (NPM) (Horton, Hondeghem and Farnahm, 2002), competency frameworks might not necessarily assume implementation of NPM initiatives.

In the public sector, there is a preference for an individualized HR approach to competencies rather than the strategic management organizational core-competencies approach (Hood 2004). Public sector organizations at the micro level as well as public service at the macro level focus on identifying and improving individual behavioural attributes that distinguish superior from merely good performance. Developments in different countries show a mixture of commonality and country variation, but there are several reasons and trends of the reform ideas that are common across governments. Hondeghem (2002) claims that the reasons of these ideas and recipes in the public sector are related to the fact that in the rapidly changing public sector it is difficult to recruit and retain civil servants and therefore, it is essential to define what kind of skills, capabilities, experience, values and knowledge public sector needs. Competency models are also used as one means by which to link strategies to organisational and individual performance. In addition, competency management is seen as a vehicle of changing bureaucratic organisations more modern and flexible. It can also be used to achieve changes in organizational culture (Hondeghem 2002). HRM systems in the public sector are often criticized because of the lack of effective internal integration and uneven quality of strategic flexibility among HR sub-disciplines. As a response to that criticism, competency-based approach is seen as one of the main available alternatives for the pursuit of internal integration of HRM strategies and practices (Cooper et al 1998).

According to Hood (2004), the introduction of competency frameworks in different countries has been an “accessory” of political attempts to modify public service. By analysing the case studies in the UK, US and German civil services he argues that there were at least three relatively common elements in the attempts to modify the competency element of public service.

“First, a new vision of competency appealed to politicians who were searching for ways to make civil servants more “managerial”. Second, “competency” offered a way to respond to long-standing dissatisfaction among lower-level bureaucrats critical of poor leadership and inconsistent staff management. Third, the notion of “competency” offered a convenient way of underpinning senior bureaucrats’ claims for higher pay and professional status.” (Hood 2004, 323-324)
In order to make competency profile “work” for public service development, Dror (1997) emphasises that two other essential pre-conditions must be met: the need to advance rapidly to a new (which he calls delta-type) senior civil service must be widely accepted in democracies and supported by the main power-holders. Moreover, top politicians must be willing to take an active part in moving towards such a service.

Considering the experience of other countries, even if the competency-project seems to develop smoothly in the beginning, a number of potential obstacles can appear. Lack of ownership from the executives, difficulties in identifying competencies, the complexity of the framework, the speed of implementation without pilot studies and the piecemeal approach are just a few obstacles mentioned in other countries (e.g. Farnahm and Horton, 2002). Other potential problems in implementing competency frameworks are related to complicated evaluation systems of competencies and little connection with the work itself. Another reason for the lag in development of competency models in the public sector is the difficulty in measuring results and performance and in attributing improvements to changes in competencies, as opposed to other factors (Cooper et al 1998). Even if the causal role of competencies in performance can be convincingly argued, there may be a major time lag and several other factors that mediate the link between competencies and organisational performance (ibid.). Several authors have found that once competency framework has been designed it is mostly used in recruitment and selection, evaluation, career management as well as in training and development of civil servants; whereas competency-based remuneration systems are rarely applied (Hondeghem 2002; Horton 2000). The main reasons for the latter are often in connection with the methodological problems and possible negative effect on civil servants motivation.

3. Case study: Competency management in the Estonian Civil Service

3.1 Competency development process

Estonia was chosen as a case study for several reasons. First, competency frameworks are of some general interest both among academics and practitioners. Second, it is quite a recent initiative and change in Estonia. It may therefore be beneficial to discuss the reasons for its introduction and the aspirations for its application. Third, senior civil service itself is often seen as a response to some of the challenges and concerns in public service.

It could be claimed that since 1996, the approach for civil service development has been neither systematic nor conscious. There have not been any clear strategies in senior civil servants development programs. Insufficient guidance in identifying training needs, in setting development objectives and in selecting training methods have resulted in random training programs or passive approach to development. At the same time, similarly to other countries attracting and retaining competent top civil servants has become a major HR issue in the Estonian civil service.

In 2004, a broad strategy document – the Framework Document for Public Service Development was approved by the previous government outlining the key issues of public service development in Estonia. Decentralisation was defined as one of the core principles giving both more autonomy and responsibility to every top executive. However, what was meant by strategic and professional leadership and what was expected from the top executives in Estonian civil service remained quite vague. According to a recent survey of Estonian top civil servants a noticeable amount reported to have not enough feedback about their work and behaviour (Fontes PMP, 2003). In this context, strategic leadership development through the competency framework was seen as a vehicle for meeting these expectations and encouraging the civil service modernising programme. The process was initiated by the State Chancellery, in charge of senior civil service development in Estonia.

A concrete aim – to develop the senior civil service competency framework to provide a tool to support the self-development and selection of top executives was set. Moreover, competencies were seen as a way of helping to describe the strategic requirements for the new senior civil servants and evaluate their
development needs. The target group embodies nearly 100 top managers: secretaries general, deputy secretaries general, county governors and directors general. In order to encourage personal involvement of the target group, representatives of each group (four secretaries general, three deputy secretaries general, three county governors and three directors general) were asked to participate in the project team. Their involvement was also aimed to guarantee that the results, i.e. defined competencies would be in accordance with today’s and tomorrow’s needs. Five members of State Chancellery with the help of the external consultants were leading the process.

Within the period of August 2004 to the middle of May 2005 nine meetings of the project team were organized. Different steps in defining the competency-framework can be distinguished. First, the aim of the project was defined. While clarifying the aim of the project, then Prime Minister gave his political support to the initiative. Then, strategic requirements for senior civil service were determined in order to decide on the most important requirements and create a framework for defining the competencies. At the beginning, representatives of each target group brought out the requirements best describing their group. However, later no big differences between the requirements of different groups were noticed and it was decided to continue with one competency profile for all top civil servants. Third, the members of the project team were asked to describe critical incidents in their everyday work in order to collect data about the successful and less successful actions in various important and difficult situations. Altogether 79 critical incidents were collected and used as supportive information in defining competencies in the next phases. In the course of the project, the team members were asked to assess the midway results of the competency project in a conducted survey. After that underlying effective characteristics of senior civil servants were defined as a competency-profile.

In the course of the project, an implementation plan, which defined specific actions and responsibilities in implementing the competency approach, was also developed. According to the action plan, several principles need to be followed. For instance, the principle of goal-oriented implementation underlines that both recruitment and selection and self-development of the senior civil service are aimed at reaching the strategic objectives of the state. The principle of uniformity emphasizes that the competency framework is used for assessing the whole senior civil service on the same bases. Another principle sets that applying the competency model is voluntary and competency management is intended to be rather decentralised. Those top officials who decide to participate in the project are evaluated once a year. On the basis of the evaluation results, the competency profiles of senior civil servants are identified and necessary development programs are put in place. The implementation requires that HR managers and State Chancellery advisors have the competencies to perform their new roles as strategic partners.

With an aim to identify and keep the track of the needs of senior civil service, the evaluations of the competencies will take place every year between top executive and his superior. In order to improve the strategy of the top executives trainings, mentor programs, study visits and other training activities based on the competency framework will be provided. Also, more emphasis will be put on self-development as a way to encourage the top managers to take the responsibility for their own strategic development. Defining the personal goals for developing specific competencies will be the bases of each development program. Although the main responsibility for development will be put on the top executive and his or her superior, the State Chancellery will take a coordinating role in the whole system by supporting and consulting and choosing the best ways for development. Although using the competency framework in strategic leadership is voluntary, the general aim is to raise the wide interest, involving as many public sector organizations as possible. Creating the best practices while giving professional support to the organizations is already the first step. In order to be able to systemize and track the competency profiles and other necessary information regarding to selection and development of the target group, an electronic competence-centre is being developed.

3.2 Methodology

The empirical data of the research is based on two surveys. The sample of the first survey consisted of all top officials who were members of the working group defining the competency profile for the
Estonian senior civil service. In the first survey, respondents were asked to report on the goals and the process of the competency “project” on the 5-point scale: does the goal of the project meet the current needs of the senior civil servants, are the described strategic requirements based on the needs of the state, do the critical incidents reflect the important aspects of senior civil servants’ work.

Second, for testing the validity and reliability of the competency model, a pilot study was conducted. In May 2005, 120 participants (20 top executives, their superiors and subordinates) were asked to evaluate senior civil servants on the basis of the newly developed competency model and give their opinions about the content and relevance of the model itself. Out of 56 respondents, 9 were either top officials or their superiors and 47 were top officials’ subordinates. Although the response rate was 46%, each of the 20 top officials was assessed either by self-evaluation or through the evaluation conducted by their superiors or subordinates. Confidentiality was guaranteed to all participants of the study. The pilot study was conducted through web, so each participant was given a username and password.

The participants were asked, depending on the position of a participant, to self-assess or give an opinion about their superior’s or subordinate’s competencies based on the provided competency-model. Thereafter, several questions about the satisfaction of the model were asked: are the competencies clearly defined; is there a clear connection between the competency model and actual work of a top official; do the levels of competencies differentiate from each other clearly; are the levels of competencies adequately defined etc. Finally, participants’ views on the goals, underlying principles, content and clarity of the implementation plan were explored.

3.3 Results

First, the outcomes of the project team’s work and the results of the pilot study are analyzed. Thereafter, the pilot groups’ opinion about the implementation plan is evaluated.

According to the results of the first survey, the members of the project team recognize that the aim of the project meets the needs of senior civil servants (M=4.55) (see Table 1). Also, the defined strategic requirements, that form the bases of competency model, are accepted as the priority in senior civil servant’s work (M = 4.69)

Table 1. Results of the survey of the project team

<table>
<thead>
<tr>
<th>1. Aim of the project</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 meets the needs of senior civil servants, is important</td>
<td>4.55</td>
<td>.52</td>
</tr>
<tr>
<td>1.2 is precise</td>
<td>4.36</td>
<td>.50</td>
</tr>
<tr>
<td>1.3 is achievable</td>
<td>4.18</td>
<td>.60</td>
</tr>
<tr>
<td>2. Strategic requirements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1 stem from the needs of the state</td>
<td>4.38</td>
<td>.65</td>
</tr>
<tr>
<td>2.2 are of priority in senior civil servant’s work</td>
<td>4.69</td>
<td>.63</td>
</tr>
<tr>
<td>2.3 reflect all aspects of senior civil servant’s work</td>
<td>3.54</td>
<td>.88</td>
</tr>
<tr>
<td>3. Critical incidents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1 reflect decisive situations of senior civil servant’s work</td>
<td>4.15</td>
<td>.80</td>
</tr>
<tr>
<td>3.2 reflect difficult situations of senior civil servant’s work</td>
<td>4.23</td>
<td>.83</td>
</tr>
<tr>
<td>3.3 reflect important skills of senior civil servants</td>
<td>4.23</td>
<td>.60</td>
</tr>
</tbody>
</table>

N=13

The results of the pilot study support the main finding of the project team – the competency framework defined in a 5-point scale differentiates between poor, average and superior performance. Five core
competencies, each of them combined with 2 – 4 subcategories appeared: credibility, having a vision, innovation, leadership and results orientation (see Table 2).

Table 2. Competency model of the Estonian senior civil service

1. Credibility
1.1 Serves the nation. Strives to act in public interest, in accordance with development needs of the state and priorities of the government.
1.2 Respects public service ethics. Embodies the ethical values of public service and shapes its good reputation.
1.3 Respects the principles of the state based on the rule of law. Guarantees basic rights and freedoms of people in his area of responsibility.

2. Having a vision
2.1 Creates vision. Creates vision for his area of responsibility, keeps it feasible and affects the development of the state.
2.2 Explains strategic choices. Provides suggestions for making strategic choices and explains them to employees and the public.
2.3 Sets goals. Analyzes processes, ensures the quality of strategy and provides employees and the public with well-reasoned explanations about the goals.

3. Innovation
3.1 Develops him/herself. Sets him/herself high goals, develops him/herself in the area of responsibility and also in other areas.
3.2 Develops his/her organization and implements innovations. Implements new solutions for serving citizens better and for developing his/her organization and area of responsibility.

4. Leadership
4.1 Encourages his/her team. Inspires the team to believe in achieving the goals, motivates and gives feedback, inspires the key persons outside his/her area of responsibility if needed.

4.2 Develops networks of cooperation. Communicates with different interest groups and experts in his/her field of responsibility and gets their support in putting decisions into practice.

5. Results orientation
5.1 Makes decisions and takes responsibility. Makes decisions according to the strategy, differentiates facts from assumptions, considers links with other areas and takes responsibility in realization of decisions.

5.2 Achieves results. Ensures satisfaction of the organization and the public in achieving goals.
5.3 Acts as a responsible “landlord”. Ensures effective, efficient and environment-friendly resource management and propagates spread of best practice.
5.4 Follows and develops the law. Follows the law and provides suggestions for changing laws if needed. Ensures the participation in international legislative drafting in the interest of Estonia and EU.

In general, as the mean scores (see Table 3) of the perceived competence levels indicate, the competencies of the senior civil servants who participated in the pilot study are assessed quite high (from 2 to 5 points for most of the cases with the total mean score of 3.60).

Table 3. The assessment of competencies

<table>
<thead>
<tr>
<th>Competencies and identified behaviour</th>
<th>N*</th>
<th>Minimum</th>
<th>Maximum</th>
<th>M**</th>
<th>SD***</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Credibility</td>
<td>56</td>
<td>2.67</td>
<td>5</td>
<td>3.84</td>
<td>.63</td>
</tr>
<tr>
<td>1.1 Serves the nation</td>
<td>55</td>
<td>2</td>
<td>5</td>
<td>3.62</td>
<td>.85</td>
</tr>
<tr>
<td>1.2 Respects public service ethics</td>
<td>56</td>
<td>2</td>
<td>5</td>
<td>4.02</td>
<td>.77</td>
</tr>
<tr>
<td>1.3 Respects the principles of the state based on the</td>
<td>55</td>
<td>3</td>
<td>5</td>
<td>3.89</td>
<td>.79</td>
</tr>
</tbody>
</table>
2. Having a vision

2.1 Creates vision  
2.2 Explains strategic choices  
2.3 Sets goals  

3. Innovation

3.1 Develops him/herself  
3.2 Develops organization and implements innovations  

4. Leadership

4.1 Encourages his/her team  
4.2 Develops networks  

5. Results orientation

5.1 Makes decisions and takes responsibility  
5.2 Achieves results  
5.3 Ensures effective, efficient and environment-friendly resource management  
5.4 Follows and develops the law  

Total

Still, the results show that the opinions given by the sample group are divided quite well (see Figure 1), meaning that the opinions about the competencies of top officials are differentiated.

** Figure 1. The distribution of opinions about competency levels in box-and-whisker plot **

The reliability of the model

Cronbach’s α in Table 4 illustrates that the various behavioural indices are well connected. This supports the reliability of the model.

Correlations between competencies
Table 4 also presents relatively high correlations (p < 0.01) between the means of all five competencies. The most significantly related are results orientation and having a vision (r = .78, p < 0.01) and results orientation and credibility (r = .73, p < 0.01). Also, the correlations between each competency and the total competency are found high (correlations between .83 – .90, p < 0.01). These results give some support to the fact that the competencies reflect all important aspects of senior civil servant’s work.

Table 4. Correlations between competencies*

<table>
<thead>
<tr>
<th>Competency</th>
<th>Cronbach’s alfa</th>
<th>1.</th>
<th>2.</th>
<th>3.</th>
<th>4.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Credibility</td>
<td>.69*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.83*</td>
</tr>
<tr>
<td>2. Having a vision</td>
<td>.82*</td>
<td>.67*</td>
<td></td>
<td></td>
<td></td>
<td>.90*</td>
</tr>
<tr>
<td>3. Innovation</td>
<td>.65*</td>
<td>.58*</td>
<td>.71*</td>
<td></td>
<td></td>
<td>.84*</td>
</tr>
<tr>
<td>4. Leadership</td>
<td>.70*</td>
<td>.68*</td>
<td>.69*</td>
<td>.62*</td>
<td></td>
<td>.86*</td>
</tr>
<tr>
<td>5. Results orientation</td>
<td>.81*</td>
<td>.73*</td>
<td>.78*</td>
<td>.69*</td>
<td>.67*</td>
<td>.89*</td>
</tr>
</tbody>
</table>

* p < 0.01

Satisfaction with the competency model

Table 5 presents the sample group’s satisfaction with the model (Cronbach’s α = .63). The results reveal that the mean of given opinions about the model was between “I don’t know” and “rather satisfied”.

Table 5. Satisfaction with competency model

<table>
<thead>
<tr>
<th>Factors of satisfaction</th>
<th>N*</th>
<th>Minimum</th>
<th>Maximum</th>
<th>M**</th>
<th>SD***</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. defined clearly</td>
<td>54</td>
<td>2</td>
<td>5</td>
<td>3.96</td>
<td>.70</td>
</tr>
<tr>
<td>2. connection between the model and real work</td>
<td>54</td>
<td>1</td>
<td>5</td>
<td>3.85</td>
<td>.83</td>
</tr>
<tr>
<td>3. differentiation between levels</td>
<td>53</td>
<td>1</td>
<td>5</td>
<td>3.49</td>
<td>.95</td>
</tr>
<tr>
<td>4. Adequacy of the competency levels…l,</td>
<td>52</td>
<td>1</td>
<td>5</td>
<td>3.48</td>
<td>1.02</td>
</tr>
<tr>
<td>Satisfaction with competency model in total</td>
<td>54</td>
<td>1.5</td>
<td>4.75</td>
<td>3.70</td>
<td>.60</td>
</tr>
</tbody>
</table>

* N = Number of respondents ** M = mean *** SD = Standard deviation

3.4 Discussion

Reasons for the introduction of competency framework

Similarly to other countries, there are several reasons for developing competency framework for the Estonian senior civil service. On the one hand, the reasons for the use of competencies are related to the modern HR trends and practices. By benchmarking against best practice organisations both in public and private sector in Estonia and elsewhere, the developers of the Estonian civil service have gained an insight into the factors that might build success. On the other hand, it has been an inner need to define the skills, capabilities, experience, values and knowledge of strategic importance for the senior civil service. In the rapidly changing public sector, it is difficult to recruit and retain top officials who would adopt a more strategic focus, look more widely and network across as well as within departmental and state boundaries.

It could be argued that despite the different governments’ strategic intentions in the last decade, the civil service in Estonia remains essentially unstrategic and unreformed. In 2004, a broad strategy document – the Framework Document for Public Service Development was launched by the previous government outlining the key issues of public service development. However, the intended changes remained to be guidelines and were not put into practice in the form of amendments to the Public Service Act largely because of political disagreements. As in several other countries, the introduction of competency project
was initially seen as an “accessory” of political attempts to modify public service. Later on, in the absence of a comprehensive reform, the competency project was seen as a means to fill up this strategic vacuum and bring about necessary changes at the senior civil service level, despite the failure of major reforms. Thus, the competency framework became an initiative that some authors had called a ‘pocket development’, with hope that it would be possible to multiply these pockets by applying the model across senior civil service and cascading the idea of competency management down to organizational level (McCourt and Ramgutty-Wong, 2003).

Defining a competency profile for senior civil servants as a means of developing strategic leadership and enhancing administrative capacities can be also reviewed in connection with Europeanization of public service. The improvement of several areas is of critical importance. In order for strategic management to be consistent and efficient, professionalism in every policy area, policy analysis and planning have to be improved (Randma-Liiv 2004). In addition, influencing EU decisions and making the domestic decision-making process more reliable requires coordination, which is, to a large extent, a question of administrative culture and public service common identity.

In the context of the “vacuum” in both strategic management and public service development, the importance of competency management has also been underlined because it helps to keep the focus on continuous development at the state, organizational and personal level. In the Estonian case, the pursuit of internal integration of HRM practices in senior civil service development has been less conscious choice in competency management. Although the focus of the framework is clearly on (self-) development, it links recruitment and selection, appraisals and career management into a coordinated system.

The analysis of the competency development process

While methods of creating the competency framework vary significantly across countries, e.g. using the critical incident analysis, reviewing the values, goals and strategies of organizations, conducting interviews and surveys, the overall value of participation in the process of identifying and defining the competencies is widely recognized. Therefore, it is claimed that the competency development process itself has been beneficial for the members of the project team. First, the process was seen as a training, which introduced the ideas and practices of competency management. Second, it was a step towards promoting a cohesive group of top officials with common understanding of strategic issues and requirements of the state. However, it could be argued that in the case of Estonia, it was rather a side effect of the project, not an explicit goal. The initiative of competency development did not aim to establish common identity and values or develop better cooperation of the senior civil service. But it did help to bring together different opinions and views in the context of decentralization and multiplicity of different strategic documents. As noted previously, the literature on competencies is quite persuasive in suggesting that any competency-based management approach should be linked to strategic objectives. In the Estonian case, however, the strategic objectives are set in numerous documents, resulting in different interpretations across the civil service. That is why the process in Estonia worked another way – in the course of developing the competency model, the problem of not having a clear strategy was raised and the need for common strategic focus was recognised.

In the Estonian civil service, the specific characteristics of competency project are also related to the notion of the ‘small state’. Having about 100 top officials in the entire target group of the project and having 20 of them directly involved in the development process means that it is easier to gain support and commitment for the initiative as a major part of cooperation and coordination process is based on interpersonal and interinstitutional relations, not so much on institutionalised obligations and orders or hierarchical subjection and control (Randma-Liiv 2004). In a relatively small country, the process was further simplified by the social environment. In a group, where ‘everyone knows everyone else’ relationships tend to be personal, and consequently, situations and decisions are likely to be more personalised (Benedict, 1966). Informal means of communication, personal connections and networking were used for the competency development purposes. Since competency models remain time-
consuming and expensive to develop, gaining the personal contacts and commitment was of crucial importance for the accomplishment of the initiative.

Another favourable aspect for the competency project has been the fact that there is a need for major changes in the civil service and officials in different institutions and position tend to be open to changes and development initiatives. Since the more comprehensive reforms have been postponed, there have not been any other serious alternatives to the competency project. Results of the survey as well as the pilot study confirm that the competency project is valued in terms of its goals, contents and practical importance.

The analysis of the competency model

Results of the project team survey show that the aim of the competency project meets the needs of senior civil servants and reflects the need for systematic approach in senior civil service development and selection. One of the main challenges identified in the literature is the fact that competency models tend to be biased towards past orientation. The results of the pilot study suggest that the connections between the model and real work are recognized and the competency levels described are adequate. This gives support to the goal of having the competencies sufficiently future-orientated and embodies all of the important aspects of the senior civil service work.

The competency model also supports the theory that a considerable amount of the competencies, e.g. “leadership” and “results orientation”, does not vary from the competencies of private sector managers. Still the meaning behind it may have some special nuances, as for example involving different interest groups in the planning and decision making processes to get their support in putting the decisions into practice. The structure of the competency model also supports the findings of Virtanen (2000) by having a special emphasis on the ethical competencies – “respects public service ethics; embodies the ethical values of public service and shapes its good reputation and respects the principles of the state based on the rule of law”; “guarantees the basic rights and freedoms of the people in his area of responsibility”. In the Estonian case, a broader competency – credibility – has been brought out. Besides ethical behaviour, this competency embodies the behaviour of acting in the public interest and according to the government’s priorities (“serves the nation”).

Comparing the Estonian senior civil servants’ competency model with the classification of Noordegraaf (2000), the emphasis is put more on the concrete behaviour and outcomes of the behaviour, e.g. “ensures effective, efficient and environment-friendly resource management”. A special attention is drawn on innovation competency with the behavioural example “develops his/her team” and “develops organisation and implements innovation.”

The analysis of the implementation of the competency model

It could be argued that successful implementation of competency models demands considerable management attention, expertise, and local contextual knowledge and confirmation, even when the competency-based approach has been well validated in another organization or country. The project period of nearly one year has been a considerable investment of time for the project team consisting of top officials. It could be said that in order to make the model really in accordance with current needs of the senior civil servants, the investment has been inevitable and certainly valuable. Classical remarks as “finally we can talk about the issues that really matter to us” and “it is interesting how we perceive one issue so differently” are just a few examples that illustrate the value of the work of the project group and give a signal that even just talking about the important issues in a systematic way can work as a development tool. Still, the question, how to deliver the results to all senior civil servants and to encourage them and their superiors, including politicians, to use that tool as a development and selection instrument remains a challenge. Quite a big amount of the target group was involved through the pilot study but the idea of using the competency model as a tool needs more explanations and
central support. As the implementation of the competency model is voluntary for the organisations, the need for creating good examples and best practices is of critical importance.

In order to succeed with the implementation plan, the approval and support of other groups, such as politicians, human resource managers and media is necessary. Some challenges have already been met – already in the preparatory phase, at the time when the ministers were supposed to give their opinion about the project there was a change of government. Still, as it is a project in which mainly senior civil servants were highly involved, no big changes were made in the plan. Senior civil service development based on the competency model has also been an discussed among human resource managers and will be one of the central topics in an annual conference for the Estonian civil servants. However, the most critical value will come from the project members themselves who have taken an active role in creating the model and see the value of implementing it. Thus, the future of competency management as a tool of strategic leadership development holds both bright promises and major challenges for those involved in competency work in the Estonian civil service.

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References


