The recruitment, retention, performance and development of senior civil servants in Ireland

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Contents

Part 1

Publicpolicy.ie comments and recommendations on the recruitment, retention, performance and development of senior civil servants in Ireland

Background to the study

The recruitment, retention, performance and development of senior civil servants[1] are issues of some importance to the country. This fact has been highlighted by the economic downturn, with more attention being focused on the capability of senior leaders within the public service to manage in times of unprecedented challenge and national crisis.

There has been much focus on the need to source new talent from outside the system to improve the capability and professionalism at senior management level. The debates have ranged quite dramatically from the highlighting of a lack of economic/banking capability within the heart of the key ministry of Finance, according to the Wright (2010) report, to a myriad of opinion regarding the level of skills, expertise and accountability across this and other key departments at the most senior levels.

There are deep seated arguments which underpin any debate around the selection and development of senior civil servants which go to the heart of the division of power within the Irish system of government. An independent civil service and the separation of powers are long standing traditions in Ireland and are seen by many as critical pillars of our democracy. But at the same time there has been an expressed lack of confidence in some quarters with the capabilities of those who were at the helm in recent years which has surfaced a new sense of frustration around the appointment, tenure, capacity and remuneration of those at the top in the civil service.

This study commissioned by publicpolicy.ie set out to describe and assess the current Irish system with regard to the recruitment, retention and development of senior civil servants in the context of the recently established senior public service (SPS). The goal was to compare Irish practice with international practice, particularly in relation to: (a) the process of filling senior public service positions, (b) the approach to performance management, fixed-term contracts, learning and development, mobility and talent management, and (c) succession planning, including accelerating the promotion of internal candidates with outstanding potential.

Main findings and recommendations regarding recruitment

Since open recruitment has become more common and the new Top Level Appointments Committee (TLAC) put in place, the pool of candidates for TLAC posts has broadened.

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[1] Defined as secretary general and assistant secretary general and equivalents posts

The criteria used to decide whether a post should be filled through mobility rather than go to open recruitment through TLAC are in need of clarification. It is recommended that the rationale for the choice is as clear as possible, and that the number of posts filled through mobility is regularly monitored. Use of mobility to fill senior level posts should not restrict the overall number of posts subject to open competition.

With regard to the recruitment process itself, while practice generally represents good practice, some issues should be addressed:

- The language used in job descriptions and general documentation presented in the information booklet to candidates is somewhat 'internally' focused and better presentation of the information is needed.
- A TLAC representative should be present at all stages of the application process (shortlisting, preliminary interviews and final TLAC interview) for assistant secretary general and equivalent posts as currently happens for secretary general posts.
- The evidence from the early use of executive search agencies for secretary general posts suggests that the use of executive search has both broadened the field and increased the quality of candidates presenting. The continuation and development of this approach is merited, along with continuous monitoring of its efficacy.

Of those countries that have not gone to full political control over senior level appointments, Ireland currently has a relatively high degree of political involvement in the appointment process. For secretary general posts TLAC can recommend up to three names, in alphabetical order, to the government, of those candidates considered to be of the standard required for the post. The government then has discretion to choose from amongst those put forward. Whilst not removing ultimate government discretion, as the requirement is to appoint the 'best' person for the post, it is recommended that an examination of the benefits and disadvantages of putting candidates in order of ranking when presented to the government rather than in alphabetical order be undertaken.

There is no consistent message from international practice that opening out employment opportunities at senior levels beyond the civil service results in better performance. Most countries examined still rely to a very large extent on the existing pool of civil servants to fill senior positions. There is a dearth of evidence about relative performance once in the post. There is some evidence of higher turnover rates amongst private sector appointments than those from within the civil service.

Since a significant majority of TLAC appointments are, and are likely to continue to be, sourced from within the civil service, recruits at administrative officer/assistant principal level and those advanced to these levels should be viewed as the seedbed of candidates for the vast majority of senior civil service roles. The ability to ensure the sourcing of high calibre graduates will be a key determinant of the quality of candidates ultimately available for senior civil service positions.

Information coming from executive search firms used by the Public Appointments Service suggests that at both secretary general and assistant secretary general level they are now challenged by salary levels in attracting private sector people. The perceived reputational risk and impact of media scrutiny remains a significant barrier.

There are relatively low levels of application and success rates for TLAC positions from the wider public sector outside of the civil service. There are also relatively low rates of application from women, though those that do apply have higher success rates. As women make up approximately two-thirds of general grade civil servants, it is important that the reasons for any disproportionate lack of participation by women in competitions for senior civil service positions should be established and appropriate action taken to ensure the continuous availability of the best candidates for these positions.

The widening of membership of the SPS from the civil service to include the wider public service could contribute to lowering barriers across the public service. Consideration should be given to accelerating this widening of membership, currently planned for incremental development after 2015.

There is an absence of empirical evidence in a number of areas relating to recruitment and appointment and barriers to appointment. Further effort is needed to improve the

evidence base to inform policy decisions in this area. In particular, information on the potential barriers to application and evidence on performance once in post is needed to inform decisions on the merits of alternative recruitment practices.

Main findings and recommendations regarding the retention, performance and development of senior civil servants
The competency specification for senior civil servants in Ireland is in line with international good practice.

There is a need for improved performance management arrangements for senior civil servants. Formal performance management for secretaries general should be introduced. International experience suggests that any development of performance management for secretaries general in Ireland should include the following elements: a written statement of performance expectations focused on a small number of priority goals, self-appraisal, peer and ministerial review, and feedback. The goals should include key cross-cutting goals that go beyond departmental responsibilities. A similar arrangement should be in place for other SPS members, though without the need for ministerial involvement in review.

Fixed-term, renewable appointments should be the norm for the SPS but within a framework of permanent appointment as a civil servant.

The challenges raised by recent restrictions on recruitment and the early retirement of many senior public servants make talent management and succession planning at senior levels in the Irish civil service a particularly important issue. Lessons from international practice provide pointers for what approach the SPS should take in this area:

- Getting the right mix of supports for senior executives between on the job learning, coaching and mentoring, and development programmes. While structured on the job learning is most important, the other elements of the mix also have important roles to play in developing talent.
- Ensuring a balance between mobility and turnover. Mobility programmes, giving senior civil servants experience in a range of departments and agencies, are an important aspect of talent management. But there is a danger of excessive turnover which can cause problems through loss of knowledge and

expertise. Turnover needs to be monitored to ensure that mobility programmes bring benefits but do not cause excessive turnover of posts.

- A good online talent management system can provide an efficient platform to support talent management and should be examined for the SPS.
- It is important to have a central 'driver' of talent management with the authority to ensure the identified initiatives happen. Without this driver, there is a danger of limited take-up.
- With regard to succession planning, the model used by the UK civil service has much of merit and should be reviewed by the SPS with a view to developing an appropriate succession planning framework for senior civil servants in Ireland.

The current central arrangements within the Department of Public Expenditure and Reform (DPER) for supporting the SPS would seem to be appropriate for now. As the SPS evolves and includes members from the wider public service, there should be further consideration of options for central support including possibly the need for a more formalised central support office. As the membership of the SPS widens to include members from the public service beyond the civil service, it will be important that this wider membership is reflected in the governance structures.

A head of civil service position in Ireland should be created to provide unified leadership for the civil service and provide a point of reference between the administrative and political spheres of governance. Regardless of whether or not a formal head of civil service role is created, some central role will need to be identified and be important in providing a formal reporting line for secretaries general with regard to performance management if performance assessment for secretaries general is introduced.

Part 2

The recruitment, retention, performance and development of senior civil servants in Ireland

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1
Introduction

1.1   Research objective and terms of reference

The ability to attract, retain and develop able and competent people to occupy and perform in very challenging senior public service jobs[2] is a key enabler of sustainable public service reform and delivery. The objective of this research is to review the practice of recruitment, performance management and development of senior civil servants in Ireland and compare it with international good practice. A number of key questions inform the study: are the best people from the public, private and voluntary and community sector applying for senior level jobs?; what is done to encourage high performance in post?; how are development and talent management opportunities used to improve existing staff competencies and identify future potential leaders? The terms of reference for the project are:

To describe the current Irish system in the context of the recently established senior public service (SPS)[3] and compare it with international practice in relation to:

a) The process of filling senior public service positions, in particular the role and operation of the Top Level Appointments Committee (TLAC)

b) The approach to performance management/performance agreements, fixed-term contracts, learning and development, mobility and talent management

c) Succession planning, including accelerating the promotion of internal candidates with outstanding potential

1.2   Research approach

Working from the requirements set out in the terms of reference, the project encompassed the following activities:

- Mapping the process engaged in by the Top Level Appointments Committee at all stages from the drafting of a job description to appointment and any follow-up

- Reviewing approaches to performance management/performance agreements, fixed-term contracts, talent management, mobility and succession planning of senior civil servants and those with the potential to reach this level

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[2] Defined as secretary general and assistant secretary general and equivalents posts

[3] See http://www.sps.gov.ie/en/ for more details on the senior public service and its role.

- Comparing the current Irish system and approach to international practice in a range of countries that have sought to improve the calibre and performance of their senior civil servants

In order to deliver on the research objective the study team:

- Reviewed available research and evidence in respect of the Irish senior public service (for example, reports of the Organisation Review Programme) and also relevant OECD publications, material in respect of the comparator countries, and the research literature in respect of the attraction, retention, performance and development of senior civil servants
- Conducted research interviews. Interviews were undertaken with representatives from the Public Appointments Service, the Department of Public Expenditure and Reform, some members of TLAC, and selected key informants from other relevant bodies and in respect of some of the comparator countries
- Prepared draft progress reports submitted to the project steering group[4] for comment

A number of countries provide comparator information, most notably Australia, Canada, the Netherlands, New Zealand and the UK. The civil service in each of these countries is generally regarded as being amongst the better performers in the world, as illustrated for example by the World Bank governance indicator set[5]. And (apart from the Netherlands) they all share a Westminster tradition in the way their civil service was established and hence have some commonalities in terms of structures and ways of working. All have previously established a senior civil service or senior public service for top level officials.

1.3   Structure of the report

In Chapter 2 issues around the recruitment and appointment of civil servants are addressed. The role of TLAC is examined in some detail. Chapter 3 examines the

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[4] Publicpolicy.ie established a project steering group for this project, comprising people with knowledge and experience of top level management recruitment and development practice.
[5] See http://info.worldbank.org/governance/wgi/index.asp

retention, performance and development of senior civil servants following their appointment.

2
The recruitment and appointment of senior civil servants

2.1 Introduction
This chapter examines issues related to the recruitment and appointment of senior civil servants in Ireland. Key players in the process are the Top Level Appointments Committee (TLAC) and the Public Appointments Service (PAS). TLAC recommends candidates to ministers and Government for the most senior civil service posts, at assistant secretary general level and upwards[6]. PAS is a licensed recruiter, and the TLAC appointments process is run under the PAS recruitment license. The license is dependent on a fair, open, merit based recruitment process being operated.

Many of the issues and challenges discussed have been informed by a close reading of the *First Report to the Minister for Public Expenditure and Reform* of the Top Level Appointments Committee (TLAC, 2013). The report documents developments and trends occurring in the TLAC recruitment and selection process following the reform of the Committee in April 2011. The report also sets out in detail the revised role and procedures of TLAC in an appendix.

2.2   Pre-recruitment: decisions to advertise positions or allow for mobility opportunities
Before a decision to recruit is made, a decision needs to be made about whether to fill the post or not, and if so, whether it is done through recruitment or through mobility, i.e. transfer from within the system. Vacancies arise in different ways and sanction is needed from the Department of Public Expenditure and Reform (DPER) to fill a vacancy. Once sanction is given, if at assistant secretary general level the post may first go to the Senior Public Service (SPS) to offer the post for mobility. Mobility and time spent in a variety of roles and organisations is widely regarded across senior public services as a positive and developmental experience (see section 3.5). In order to promote and implement mobility at assistant secretary level in Ireland, a mobility subgroup of the SPS management committee has been established. When a vacancy

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[6] A number of secretary general level posts do not come within the ambit of TLAC, but are matters for decision by the government directly: the secretaries general in the departments of the Taoiseach, Finance, Public Expenditure and Reform and Foreign Affairs and Trade, the secretary general to the President, and the chairman of the Revenue Commissioners.

arises, the mobility subgroup considers the post, in conjunction with the secretary general of the department in which the vacancy arises. In deciding whether the vacancy should be filled by mobility, redeployment or by open competition, those involved have regard for:

- The job description provided by the department with the vacancy
- The availability of the required skills and experience at the appropriate level across the system, including, in the first instance, through redeployment
- The views of the secretary general of the department with the vacancy
- The need for reasonable balance between mobility, redeployment, and appointment by TLAC in the filling of vacancies both across the system and within particular departments
- The desirability of achieving gender balance at senior levels across the civil service.

Ultimately a decision is made whether to fill the position by open competition, in which case the TLAC secretariat will be notified, or if it is to be filled by lateral mobility. In practice, to date only a small number of posts have been filled by lateral mobility[7]. Where posts are filled by lateral mobility, all SPS members at that level are notified and invited, if interested, to apply for the position indicating their suitability in the light of the job requirements. These applications are reviewed by the mobility sub-group. The mobility sub-group may also, at its discretion, mandate the secretary general of the department with the vacancy to meet informally with candidates. An assessment of the candidate by their direct manager may also be sought at this stage. All of this evidence influences the final selection. In the event that there are no suitable applications through mobility, the post is filled by open competition through TLAC. If the post is filled through mobility, the subsequent vacancy is normally filled through open competition.

The criteria used to decide whether a post should be filled through mobility are somewhat vague. In particular the idea of a 'reasonable balance' between mobility, redeployment and appointment by TLAC is not spelt out to any degree.

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[7] Seven posts have been filled by mobility from January 2012 up to April 2014.

A similar situation arises in England, where a significant minority of appointments at senior levels in Whitehall are made via what is termed a 'managed move', whereby a vacancy is filled by moving an existing civil servant into the post without a formal competition. A report by the Institute for Government (2013) outlines this process:

> The decision about … (whether to use a managed move) … when a vacancy arises is taken formally by the Senior Leadership Committee (SLC), comprised of senior permanent secretaries, the Cabinet Secretary, the First Civil Service Commissioner, the Director of Talent Management at the Cabinet Office, and chaired by the Head of the Civil Service. In practice, it has been reported, the decision is taken by the Head of the Civil Service and Cabinet Secretary in consultation with the PM and the Secretary of State for the relevant department.
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> While a competition is now regarded as the preferred option, managed moves are permitted where it is determined that there is a convincing 'business case' for it. The protocol between the Commission and the SLC provides no further definition. However, an earlier draft version stated that the 'business case' for a managed move could rest on four factors: 'critical business need' (where there is urgency), 'individual development needs' where a high-potential official is transferred to facilitate career progression; 'retaining talent' where an individual with skills that are in short supply might otherwise leave; and 'restructuring' where there is one obvious candidate for a new role created following departmental reorganisation.
>
> The fact that the published version of the protocol contained none of this detail means that the use of managed moves remains shrouded in mystery. The SLC is required to carry out an annual review of managed moves, but – assuming they have occurred – these reviews have not been published.
>
> Interviewees confirmed to us that managed moves are made where an unexpected departure leaves a gap to be filled urgently, and where there is an obvious candidate to take over. But in other cases, it is recognised that managed moves are used as a mechanism for shifting officials whose relationship with their minister has broken down. As one senior Whitehall

figure reflected, some managed moves seemed to be used 'more in desperation than long-term planning'. (Institute for Government, 2013: 17-19)

Canada also has a number of non-advertised posts for senior managers. Here, a qualified person is appointed to a position without a call for applications. In order to proceed this way, managers must follow the rules prescribed by their organisation. Situations that could call for a non-advertised appointment process include appointment to a shortage group or appointment to a position that requires highly specialised skills.

The non-advertised appointment processes give hiring deputy heads (secretary general equivalent) more flexibility in situations where there is a shortage of expertise, where previous attempts to staff the position were unsuccessful, or when an advertised process would create undue hardship for the organisation. However, the choice for using a non-advertised process can have a major impact on the accessibility of the appointment process. According to the Public Service Commission *Policy on the Choice of Appointment Process*[8], hiring managers who choose a non-advertised process must provide a written rationale demonstrating how this particular process is consistent with the appointment values of transparency, access (including representativeness) and fairness. They must also explain how this choice complies with their own organisational criteria for the choice of a non-advertised appointment process. When it is difficult to produce such a rationale, the hiring manager should re-examine whether a non-advertised process is the best choice.

An audit of practice carried out by the Public Service Commission in 2008 found that of the sample of 348 appointments assessed, 107 were non-advertised. They also found that a higher proportion of non-advertised than advertised posts were unsatisfactory or in need of improvement with regard to the process used to fill the posts. According to the audit's conclusions, the reason many un-advertised processes were deemed either unsatisfactory or in need of improvement was due to the need for improvement in either the assessments or the rationale given for choosing a non-advertised appointment process: 'Rationales for the choice of non-advertised processes were either missing or did not meet organisational or PSC policy

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[8] http://www.psc-cfp.gc.ca/plcy-pltq/guides/choice-choix/index-eng.htm

requirements. It was often unclear why a non-advertised appointment process was chosen over an advertised one' (Public Service Commission, 2008:4)'.

In New Zealand, proposals are being progressed to enable the State Service Commissioner to transfer chief executives of departments to fill urgent vacancies:

> We propose a change to provide more flexibility in the making of chief executive appointments where it is a matter of transferring an existing departmental chief executive into a vacancy in the Public Service. Currently there are two ways of appointing to a chief executive position: through filling a vacancy, and through reappointing an incumbent into the same position. We propose that the Commissioner have the flexibility to transfer an existing chief executive into a vacant position as if it were a reappointment. A transfer of a chief executive from one department to another would occur where the Commissioner reasonably believes that it is in the best interests of the Public Service to do so; such as where there is an immediate need to fill a critical vacant position or where different skills are needed in certain positions at different times. It would provide the flexibility to quickly adapt to the needs of the system at any given time and would foster a development path for chief executives. Transfer could only occur following prior discussion with the appropriate Minister(s) and could then follow a process similar to that applying to reappointments – from s35(6) of the (Public Sector) Act onwards. A transfer would be subject to the agreement of the chief executive concerned (Office of the Deputy Prime Minister, 2012: 10).

Clearly, the retention of a number of posts for internal filling through mobility or managed moves is common practice in a number of administrations, and Ireland is no different in this respect. With regard to mobility, there are sound reasons why this should be an option, primarily developmental benefits to senior personnel who gain experience in different settings. Provided subsequent vacancies are filled through open competition, there is no consequent reduction in the pool of posts available for open competition. More generally, there can also be reasons for mobility such as the need for particular expertise, to address an urgent problem, or to deal with say a severe personality clash between a minister and a senior official, where a managed move could be seen to make sense for the organisation.

2.3   Recruitment procedures and practice

Once a decision has been made to go to open recruitment for senior posts, practice varies significantly across countries. To set the general context, internationally, the appointment of top managers ranges from highly political (such as in the United States and Sweden) to highly merit-based (such as in the Netherlands, New Zealand and the United Kingdom). There are increasingly hybrid models, combining competitive recruitment procedures with the final, sometimes only formal, appointment by the government or relevant minister (Kuperus and Rode, 2008: 14). This is shown in Table 2.1 for a selection of countries, for appointments at the top two levels in the hierarchy.

Table 2 1   Who appoints senior civil servants?

Country	Level 1 (secretary general equivalent)	Level 2 (assistant secretary general equivalent)
United States	Political	Political
Sweden	Political	Political
France	Political	Hybrid
European Commission	Hybrid	Hybrid
Canada	Hybrid	Hybrid
Australia	Hybrid	Administrative
Ireland	Hybrid	Administrative
New Zealand	Administrative	Administrative
United Kingdom	Administrative	Administrative
Netherlands	Administrative	Administrative

Source: adapted from IPPR (2013: 35). Information for the Netherlands and Ireland (not included in the IPPR report) obtained from interviews and official documentation.

In Ireland, appointment at secretary general and assistant secretary general level has long been a distinctive process within the Irish civil service, organised and managed separately from general recruitment and promotion. However, in order to provide a higher level of guarantee in respect of the independence and probity of the competitions organised by the Top Level Appointments Committee (TLAC), in mid-2011 the structure of the committee was reformed such that it would have a majority of external or non-civil service members of whom one would be the chairperson. The

five external appointees to the committee were appointed for a three-year term. These are joined on a permanent basis by the secretaries general of the Departments of the Taoiseach and Public Expenditure and Reform and, on a rotating basis, again for a three-year term, by two other secretaries general.

The TLAC process involves:
- An initial recruitment and selection process by the Public Appointments Service (recruitment campaign, shortlisting, preliminary interviews)
- Interview by a TLAC committee
- Recommendation to the relevant minister in the case of assistant secretary or the government in the case of a secretary general

TLAC recommend one candidate for appointment to the relevant minister in the case of posts below secretary general level. For secretary general posts TLAC can recommend up to three names, in alphabetical order, to the government, of those candidates considered to be of the standard required for the post. The government then has discretion to choose from amongst those put forward.

TLAC (2013: 8) note that 'Open recruitment is resulting in greater access at all stages of the TLAC process increasing to 25% of appointments in 2012, primarily from the private sector. Private sector candidates appointed to TLAC posts increased from 4.5% in 2010 to 21% in 2012'.

The experience of the UK, New Zealand, Australia and Canada is listed below as illustrative of the process in other countries.

UK

The Constitutional Reform and Governance Act 2010 specifies that the ultimate authority on appointing civil servants is the minister for the civil service, by convention the prime minister. Also by convention this power for appointments below permanent secretary is delegated to the cabinet secretary and departmental permanent secretaries. The Act states that appointments to the civil service must 'be on merit on the basis of fair and open competition'. The Civil Service Commission are charged with defining what merit, fair and open mean in this context. The Commission is an independent body of twelve commissioners, headed by the First Civil Service

Commissioner. The commissioners are appointed on the prime minister's recommendation after being selected through open competition for five-year non-renewable terms. The majority of commissioners come from a mix of private, public, and charity sector backgrounds. Their objective is 'to ensure the selection of the best people, on merit, from strong and diverse fields of candidates, to a Civil Service which remains impartial and objective'. (Institute for Government, 2013: 16).

The most senior civil service appointments require Civil Service Commission approval, and it decides how it will be involved in the selection process. Usually one of the twelve commissioners oversees the appointments process and chairs the selection panel, which is made up mostly of people from outside of the civil service, including non-executive directors of department boards. Non-executive directors play an important role in permanent secretary appointments (IPPR, 2013: 15).

According to the Civil Service Commission (2012) the formal process for appointing permanent secretaries proceeds as follows:

1. Competitions for Permanent Secretary posts are chaired by the First Civil Service Commissioner or his or her nominee. The First Commissioner will meet with the Secretary of State at every key stage and will be available at any point if the Secretary of State has concerns about the process or the candidates.
2. The Secretary of State should be consulted at the outset on the nature of the job, the skills required and the best way of attracting a strong field; agree the job description; agree the composition of the panel; and, following a recent addition to the process, meet each of the shortlisted candidates and provide feedback to the panel. The Prime Minister must be kept informed of the progress of the selection process.
3. The panel will then recommend an appointment to the Secretary of State. Where it has not been able to agree a recommended candidate, there will be further discussions with the Secretary of State and the Head of the Civil Service.
4. The panel in its written recommendation must set out how the comments of the Secretary of State have been addressed.
5. If not satisfied the Secretary of State may ask the panel to re-consider. The panel must seek approval from the Board of the Civil Service Commission for any revision.

6. Under the 2010 Constitutional Reform and Governance Act the final appointment decision is made by the Prime Minister. If the Prime Minister decides not to appoint the recommended candidate the process is re-opened once again.

External recruitment has been a significant feature of appointments at the very highest levels of the civil service. The Top 200 group of senior civil servants comprises permanent secretaries and the next tier of senior civil servants. Between 2005 and 2010, more than half of all new entrants to the Top 200 came from outside the civil service (Public Administration Select Committee, 2010: 6). Since 2010 there has been a drop in the number of external recruits generally in the senior civil service (SCS), with a corresponding rise in the proportion of recruits from the wider public sector. On average, around a fifth of all senior civil servants originally came from outside the civil service and they tend to be in specialist posts such as finance and ICT (NAO, 2013: 16).

New Zealand

The appointments system in New Zealand is independent of ministers. All department chief executives (secretary general equivalents) are employed by the State Services Commissioner, who operates as the head of the New Zealand civil service. The State Services Commission, an independent body, oversees the process. Chief executive positions (and in fact all jobs in the civil service) are advertised openly and selection is on the basis of competitive merit. Ministers are consulted on what they think the needs of the role are and the type of person who should be appointed. The State Service Commissioner then chairs the recruitment competition, and recommends the best candidate to be appointed (Institute for Government, 2013: 31).

The IPPR (2013: 58-59) outlines the process:
- When a Chief Executive vacancy arises the State Service Commissioner will sit down with the relevant portfolio Minister and the Minister of state services to discuss the position and get their view on the sort of candidate they are looking for. This consultation is a statutory requirement.
- The job description is approved by Cabinet and then advertised publicly. All Chief Executive posts (and other senior positions) are subject to open competition.

- The Commissioner will select a short list for interview and then convene a panel. The portfolio Minister is allowed to nominate a representative to sit on the panel. Other members include the Deputy State Services Commissioner, and any other people the Commissioner selects for their relevant expertise.
- The panel's role is to advise the Commissioner; it does not have to reach consensus. The ultimate decision belongs to the Commissioner not the panel, who will make a recommendation to the Cabinet as a whole.
- The Cabinet either have to accept the recommendation or veto it, after which they are allowed to make a unilateral appointment. Any veto has to be made publicly.
- To date the Cabinet has only once rejected a recommendation. Informally the Commissioner will make sure that he does not recommend someone that will be (obviously) unacceptable to the Minister and Government.

The IPPR (2013: 59) go on to note that: 'Most Chief Executives tend to come from within the Civil Service, and often from the same department. If outsiders are appointed, they tend to come from the wider public sector. It is rare to appoint people from the private sector, and when this has happened it has not necessarily proved successful. Comparatively New Zealand has a higher number of overseas people working as Chief Executives; most tend to come from similar Westminster systems, such as the UK'.

Australia

In Australia, by contrast, the appointments system provides for more direct political involvement. The prime minister has personal responsibility for appointing departmental secretaries (secretary general equivalent): 'There is no formal interview or assessment process and the Prime Minister does not have to justify his or her decision. Similarly the Prime Minister does not need to give a reason if s/he decides to fire, or as is more commonly the case, reshuffles Secretaries. Parliament has no role in the appointment of Secretaries' (IPPR, 2013: 51).

However, the situation is not, in practice, as overtly political as it sounds and in making the decision, the prime minister is advised by the secretary of the Department of the Prime Minister and Cabinet (PM&C), the most senior civil servant in the country and de facto head of the Australian Public Service. Usually the secretary of

PM&C presents the prime minister with a list of names of candidates from which the prime minister chooses the individual they believe to be most suited to the job. Furthermore, the IPPR (2013: 52) note that, despite the degree of discretionary power in the hands of the prime minister, almost all secretaries are appointed from within the ranks of the Australian Public Service.

Some critics argue that the doctrine of 'responsiveness' to ministerial wishes has led to an erosion of public service capacity to offer 'frank and fearless' advice. Partly in response, the Institute for Government (2013: 32) note that recent reforms have made the appointments process more independent, with an enhanced role for the Australian Public Service Commissioner. The Public Service Amendment Act 2013 has amended the appointment process of secretaries by requiring the independent Public Service Commissioner to be consulted as well, and to submit his or her own report to the prime minister. The prime minister, however, retains the final decision making power.

Canada

In Canada, the prime minister appoints the two most senior levels of officials known as deputy ministers (secretary general equivalent) and associate deputy ministers (assistant secretary general equivalent). The prime minister also has the power to remove (and reshuffle) deputy ministers (IPPR, 2013: 54). Deputy minister posts are not externally advertised. Nor are they subject to oversight by the Public Service Commission, which oversees all other civil service appointments.

However, as in Australia, where the secretary of the Department of the Prime Minister and Cabinet in practice plays an important role, the head of the Canadian Public Service, the Clerk of the Privy Council (who is also deputy minister to the prime minister) plays an important role in the appointment process. Based on his or her assessment of the ability of potential candidates, informed by consultation with a committee of deputy ministers, the Clerk proposes a list of names (sometimes just one) to the prime minister. The IPPR (2013: 55) note that 'Convention suggests that the Prime Minister will normally defer to the Clerk's recommendations but should the Prime Minister be dissatisfied with the names the Clerk produces he can ask the Clerk to 'think again'. The relevant Minister may also be consulted, though this is not a formal requirement'.

The IPPR (2013: 55) further note that in Canada, as in Australia, there is a strong convention that the prime minister should appoint politically neutral career officials to the top positions in the civil service: 'Since the 1960s, over 95 per cent of deputy Ministers have come from the ranks of associate and assistant Deputy Ministers. Significantly the highly important role of the Clerk has always gone to a member of the public service'.

2.4 The recruitment process

The *First Report to the Minister for Public Expenditure and Reform* (TLAC, 2013) sets out in detail in an appendix the process followed for recruitment. A summary of the main elements in the process is presented in Table 2.2.

Table 2.2   The Top Level Appointments Committee recruitment process

Job specification

In advance of advertising the job, the Public Appointments Service engages with the secretary general of the relevant department in an effort to determine the key skills required for the role and to identify the current and critical issues within the organisation. These are summarised in a job specification.

Competencies

Competencies form the basis of interviews and TLAC assessment. Key competencies have been developed for use by TLAC and are clustered into four main dimensions, covering leadership, judgement, managing relationships and personal drive for results.

Information booklet and application

Candidate information booklets are prepared, with the objective of providing easily understandable details for potential applicants from all sectors. The application for TLAC posts includes: a comprehensive CV; a statement of the applicants' track record of achievement and delivery, and how they meet the requirements of the post; and a statement of how an applicant will meet the standard of the competencies for the post under consideration.

Advertising

The job is generally advertised by the PAS placing notices in selected national newspapers, issuing job alerts by email and text message to those who have registered their interest in positions at this level on the PAS website, and directly notifying appropriate grades across civil service departments and other public service bodies. In addition, relevant opportunities via social media, professional bodies and associations are used by PAS. A specialised unit within PAS supplements the advertising of positions with more targeted approaches to generate awareness and interest in TLAC level positions

Executive search for candidates

In order to ensure that the widest senior level candidate pool is available for consideration, PAS in conjunction with TLAC, may arrange the support of retained executive search for all secretary general positions, and by exception for specific assistant secretary general posts.

Shortlisting

The short listing process is carried out by a selection board convened by PAS under an independent chair and including a retired secretary general, an independent person who is a subject matter expert for the post in hand, and a TLAC representative, supported by a PAS representative. The secretary general of the hiring department is in attendance in an observer role to provide a briefing on the post and the department. The board agrees proposed short listing criteria and agrees shortlisted candidates.

Preliminary interviews

Preliminary interviews are usually conducted by the same selection board that undertook the short listing process with the exception of the hiring secretary general. A TLAC member participates for secretary general posts and by exception for specified assistant secretary general posts. A PAS representative is also in attendance. The preliminary interview board identifies those candidates who in the board's judgement are suitable for appointment to the post under consideration, generally to a maximum of 5 candidates.

Information flow from preliminary interview to TLAC

For each candidate being sent forward for final interview, the preliminary interview board are asked to summarise the reason the candidate is being sent forward as suitable for appointment to the post, areas of strengths or challenges, and if there are areas in which the board feel the candidate should be subject to further probing. The PAS supply three referees per candidate to the TLAC panel in order to confirm the candidate's track record of achievement, delivery and probity.

TLAC interviews

All TLAC interviews are conducted by sub-panels of the TLAC each comprising two secretaries general, two external members and chaired by the TLAC Chairperson. The sub-panel is supported by the PAS representative who attended the preliminary interviews. Questions and exploration with each candidate relate to criteria and competencies for the particular post; how the existing and emerging challenges for the department in question can be addressed and key priorities delivered, as well as the candidate's approach to issues such as strategic leadership, change and performance management. Typically, TLAC interviews are 45 minutes in length. TLAC recommend one candidate for appointment to the relevant minister in the case of posts below secretary general level; for secretary general posts TLAC recommend up to three names, in alphabetical order to the Government, of those candidates considered to be of the standard required for the post.

Source: adapted from TLAC, 2013: 21-28

A number of key elements in the recruitment process were raised by the project steering group and some interviewees as potentially presenting difficulties in ensuring that the best candidates are attracted and chosen. These are looked at below and where

appropriate comparison is made with practice in other countries, to identify if there are opportunities for improvement.

2.4.1   Competencies

The specified competencies required of senior civil servants are clearly important in determining the type of person who is successful in the recruitment process. As such, it is important to know that the competency model used is appropriate and functional. A model of competencies for assistant secretaries general was introduced in 2001. The view from the Public Appointments Service and the Department of Public Expenditure and Reform is that on the whole the competency model used has served them reasonably well with regard to selection (though not as well in subsequent talent management and performance management). However, issues arising from the economic crisis and reports such as the Wright (2010) report into capacity in the Department of Finance raised more general questions about the competencies required of senior civil servants, and the extent to which the existing model reflected current requirements. Consequently a review of competencies at assistant secretary general level took place and a revised competency model has been developed. There is more emphasis on managing and engaging with the political level (this was not a specified competency at assistant secretary general level before) and on resilience.

The range and specification of required competencies takes account of international practice such as the Australian senior executive service leadership capability framework and the UK civil service competencies model, and is very much in line with good international practice. Competencies are discussed further in section 3.2 in relation to talent management and performance management.

2.4.2   The application process

It is important that the appointment process (from initial contact, through the type of documented material given to candidates, to the nature of the interview) is as 'applicant-friendly' as possible. Particularly if trying to encourage a wider pool of applicants from the private sector, voluntary and community sectors, and wider public service, it is important that the experience is not off-putting or biased in favour of existing civil servants.

Possible limitations of the appointments process are exemplified by comments of former UK public appointments commissioner Dame Janet Gaymer, referring to the UK civil service, when she told an Institute for Government (2013: 45) study that 'strictly speaking the system [for civil service appointments] is for people who are already inside the system … it is in a sense a more internally-focused system than the system of public appointments which is always dealing with people who are applying as members of the public'. An example given is that most appointments still use panel interviews despite provision in the Civil Service Commission's rules to split the process up. The Institute for Government (2013: 45) note that 'in the view of one interviewee this implicitly favoured civil service candidates who were used to this interview format. Panel interviews are virtually unknown for senior roles in major private companies, which almost always use one-on-one interviews alongside other testing such as profiling by an occupational psychologist'.

In this context, it is instructive to note that in Ireland while one-on-one interviews are used, along with a personality profile obtained from a completed questionnaire, the selection process is still largely based on panel type interviews[9].

A TLAC member is represented at all stages on the application process in the case of secretaries general, but in the case of assistant secretaries general, a TLAC member participates in the preliminary interview on an exception basis, so the preliminary interview selection board does not normally include a TLAC representative. In the UK, a civil service commissioner, as representative of the Civil Service Commission, chair selection panels for external competitions at the most senior levels[10] in the civil service, and are present at all stages of the process.

The Public Appointments Service recognises that the language used in job descriptions and general documentation presented in the information booklet to

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[9] All candidates who are called through to final interview complete a personality questionnaire. Where time permits (in eighty per cent plus of cases) these candidates have either a face to face or a telephone interview with one of the PAS team who are qualified in the use of the instruments. The output of the engagement is a short personality report which the PAS representative at TLAC feeds in to the TLAC board alongside references etc. to round out the application and highlight areas for potential further exploration at interview.

[10] This covers pay bands 2 and 3 and permanent secretary levels. Pay bands 2 and 3 were previously known as under secretary and deputy secretary respectively, and are now commonly termed director and director general. These pay bands are all above assistant secretary level in the UK civil service.

candidates has been somewhat 'internally' focused and that better presentation of the information is needed. This would include lighter and more attractive job descriptions and the need to consolidate pension information and terms and conditions generally to something that can be referred to on a website rather than included in the information booklet.

2.4.3 *Executive search*

A vital element in the recruitment process for senior civil servants is ensuring that as wide a pool of candidates is considered as possible, to maximise the chances of getting the best person for the job. Executive search has been used since 2011 to expand the potential pool of candidates in a more structured way than previously. Executive search involves making direct approaches to candidates who are not necessarily actively looking to make a move. This is as opposed to relying solely on candidates who express an interest in a post in response to advertising of the post.

In 2011, the Public Appointments Service set up an executive search team responsible for supplementing the traditional methods of advertising the positions with more targeted approaches to generating awareness and interest in senior level positions in the civil service. A review of practice (Commission for Public Appointments, 2012: 6) notes that: 'Approaches used by the Executive Search Team to highlight and create awareness of a job, as well as building a bank of resource information, includes making contact through digital media such as LinkedIn, Facebook and Twitter, networking at conferences and keeping professional bodies and associations informed of job opportunities for its members, e.g. IBEC, Chambers of Commerce and the Law Society'.

For secretary general posts, and some assistant secretary general and equivalent posts when a campaign involves a specialist role, the Public Appointments Service may appoint an executive search agency following a tendering process to assist them in identifying and making contact with potential candidates, particularly in the international market.

The use of executive search agencies by the Public Appointments Service in the small number of campaigns it has been used to date (in single figures) is seen as beneficial. The evidence put forward for this is that the use of executive search agencies has

broadened the field of high quality candidates and the quality of candidates presenting. Candidates from the executive search firms have a high success rate in the small number of campaigns in which executive search agencies have been used.

The evidence in the literature on the use of executive search internationally is quite limited. As noted above, the majority of the positions in Australia, Canada, the Netherlands and New Zealand are filled by candidates from within the civil service. The UK is the country with the most pro-active approach to attracting external candidates, and their experience would to a large extent mirror that in Ireland.

2.4.4 Ministerial involvement

A big issue internationally in recent times, particularly in countries with a Westminster model of government, concerns the degree to which ministers should be involved in the recruitment process. The case put forward here by those in favour of stronger ministerial involvement is that as ministers are accountable to parliament for the workings of their departments, they should have a significant say in the recruitment of top officials. Balanced against this are constraints on the direct exercise of powers by ministers over civil servants on account of the need to avoid politicisation and retain the independence of the civil service.

This debate has been most active in the UK, where the prime minister, as minister for the civil service, makes appointments to the civil service. By convention, this power is delegated to the cabinet secretary and departmental permanent secretaries. Also, prime ministerial appointment is set in the context of the law that requires that all appointments to the civil service be made on merit on the basis of fair and open competition. The job of the Civil Service Commission is to ensure that the law is complied with.

An Institute for Public Policy Research report notes the role of ministers in the appointment process, given revised guidance issued in 2012 by the Civil Service Commission:

> Ministers are permitted to be consulted throughout the recruitment process; to help set the key skills required for the job; to brief the Commissioner chairing the selection panel; and even to meet candidates on the short list and give their views on those candidates to the panel. Ministers are not, however, allowed to

sit on the selection panel or to be a part of the final decision in any way. If a Minister is not happy with the final decision, it is up to the panel to decide whether his or her arguments have merit. If the panel decides to re-start the recruitment process, it must first seek approval from the Commission. In practice this gives the Minister a right of veto on the final appointment. However, under these revised guidelines the Minister is not able to make the final selection decision from a shortlist of candidates deemed appointable by the selection panel.

The Commission's revised guidelines were published in response to the Civil Service Reform Plans call for greater Ministerial involvement in the appointment process. The Government has agreed to test the new procedures before considering the case for further reform (IPPR, 2013: 16).

There is therefore a formal involvement of departmental ministers in the appointments process, though they have no formal say in the choice of candidate.

Despite this relatively extensive involvement of ministers in senior level appointments, a number of reports, including those by the PASC (2010), Institute for Government (2013) and IPPR (2013) have called for more ministerial involvement in the appointment of permanent secretaries. Notably, they have suggested that ministers should be presented with a shortlist of appointable candidates, with the prime minister having the formal final say and right of veto. This would, in effect, bring practice more in line with current practice in Ireland. This move is being vigorously opposed, however, by the Civil Service Commission. In responding specifically to the Institute for Government report the Commissioners state:

> We believe that the Institute underestimates the significance of, for the first time, giving Ministers the choice of who should be appointed to senior Civil Service roles on top of the extensive involvement in the selection process that they already are able to exercise. It would favour, for the first time in over a century, a relationship that is much more conducive towards personal patronage and possible politicisation and would be at odds with the cross-party agreement on an impartial Civil Service enshrined by Parliament in the Constitutional Reform and Governance Act, 2010 (http://civilservicecommission.independent.gov.uk/ministerial-involvement/)

Of those countries that have not gone to full political control over senior level appointments, Ireland currently has a relatively high degree of ministerial involvement. As noted previously, for secretary general posts TLAC can recommend up to three names, in alphabetical order, to the government, of those candidates considered to be of the standard required for the post. The government then has discretion to choose from amongst those put forward. It could be argued that this may militate against the best qualified person being chosen, in that the relative performance at interview is not known. It is understood that in practice the chair of TLAC may brief the relevant minister as to the performance of candidates prior to appointment.

2.5   Recruitment outcomes - attracting the right candidate: insiders versus outsiders

The desired outcome from the recruitment process is that the right person is appointed who is best placed to take on a leadership role in the civil service. Here, there is often a discussion on the relative benefits of encouraging more external filling of senior positions, particularly by those with private sector expertise.

Since open recruitment has become more common and the new TLAC put in place, the pool of candidates for TLAC posts has broadened. The *First Report to the Minister for Public Expenditure and Reform of the Top Level Appointments Committee* (TLAC, 2013) gives comprehensive figures on trends. For the period July 2011-December 2012, TLAC has held 35 competitions for posts at secretary general and assistant secretary general level, or equivalent In 2012 just under 40 per cent of applicants were from the private sector, just below the number of candidates from the civil service, with just over 20 per cent of applicants coming from the wider public sector. Private sector candidates appointed to TLAC posts increased from 4.5 per cent in 2010 to 21 per cent in 2012.

Table 2.3 provides information on the breakdown of candidates by sector and by stage in the TLAC process for 2012 and 2013. It can be seen that the civil service provided 40 per cent of the candidates and 75 per cent of the appointments. The wider public sector provided a quarter of the applicants and just under 10 per cent of successful

candidates. And the private sector provided 37 per cent of applicants and 16 per cent of appointments.

Table 2.3   Breakdown of candidates by sector and stage in the TLAC process 2012 & 2013 combined (in percentages)[11]

	TLAC applications received	Shortlisted for preliminary interview	Candidates to TLAC for final interview	Successful candidates recommended to minister/government
Civil service	40%	63%	75%	75%
Public sector	23%	18%	11%	9%
Private sector	37%	19%	14%	16%
Total	100	100	100	100

Source: PAS

Experience suggests that private sector candidates tend to be strongest when the vacancies to be filled are highly specialised roles in areas such as banking, finance, and HR. But they are relatively less strong on the whole when the vacancy is for policy related jobs where the main role is to advise minister on policy. Familiarisation with the policy process and managing the political-administrative interface is crucial to high performance, and the tendency is that civil servants more frequently win out here, particularly at the most senior levels.

Irish experience with external recruitment is relatively recent. It is instructive to consider the debate in the UK about the relative merits of employing 'insiders' from the civil service, or 'outsiders', from the wider public sector or private sector, amidst a general governmental preference over a number of years to open out the recruitment process and encourage more private sector applicants. Quoting from Ernst & Young survey of external appointees, the Public Appointments Select Committee (PASC) of the Houses of Parliament, who have spent time examining this issue, note that:

> Organisational fit matters. Of our interviewees, those working in agencies had found the transfer from private sector to public sector easier than those who had moved into Whitehall departments. This was due to agencies having clear

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[11] Figures provided by the Public Appointments Service are given as percentages rather than actual numbers for reasons of confidentiality with regard to the individuals concerned.

performance goals, generally being more arms length from political decision-making and having more autonomy. It is also possible to succeed in Whitehall but seems to be more dependent on former experiences and skills. There are examples of former local authority senior leaders and those from professional service firms moving successfully into Whitehall roles and there is a clear sense of them having benefited from their experience of complex, bureaucratic and political organisations. (PASC, 2010: 19)

The PASC, while recognising the difficulties in drawing conclusions due to an absence of relevant hard evidence, goes on to re-emphasise the importance of organisational fit and put forward conclusions reached after examining what evidence they could and interviewing relevant experts:

> Good organisational fit is vital for external appointees to operate successfully in the senior civil service. There is evidence to suggest that private sector recruits have sometimes struggled to adapt to working in the Whitehall political environment. We believe some of the difficulties of organisational fit resulting from external recruitment could be overcome by increasing the proportion of external appointments from local government and the wider public sector. This would increase the chances that outside recruits have the political experience and public service ethos needed to perform effectively at the higher reaches of the civil service, without losing the benefits of bringing a fresh perspective to Whitehall. (PASC, 2010: 19)

The National Audit Office (NAO) in the UK has also examined external recruitment, in this case to the senior civil service (SCS), and suggests that the link to performance is varied:

> Performance data from 2011-12 show that external recruits to the SCS are more likely to be rated as high performers, but are also more likely to be rated in the lowest performance group (NAO, 2013: 34).

The NAO further note discussions with recruitment consultants who:

> … told us that departments need to be clearer about the skills they need when recruiting. The Civil Service Commission noted that departments either do not have a clear idea of their skills requirements or they do not give recruiting the right people sufficient priority. Matching the right person to the job is

particularly important when the widening gap between SCS and private sector pay means the pool of external candidates for SCS vacancies is shrinking. (NAO, 2013: 34)

Challenges with attracting strong external candidates to the civil service, noted by the NAO, are also highlighted in the Institute for Government report:

> …we heard concerns that external candidates may be put off by the potential for their appointment being blocked or their position being terminated on a ministerial whim … Former First Civil Service Commissioner Dame Janet Paraskeva argued that being a permanent secretary was 'a much less attractive job than it used to be because of the public nature of the role, and because politicians now publicly criticise their staff'. A head-hunter we spoke to similarly suggested that public denigration of the Civil Service by ministers was making it more difficult to make jobs attractive to private sector applicants, even if many of the same ministers otherwise speak warmly about wanting private sector candidates. (Institute for Government, 2013: 36)

> Terry Moran, former head of Australia's Department of Prime Minister and Cabinet, has described how the Australian public service 'laundered' external recruits, by giving them a non-line management function during a managed transition. They were brought in lower down the organisation, then as their experience of the public service grew were accelerated upward. In Whitehall, there is likewise a common view that it is often more constructive to bring private sector candidates into the Civil Service at director or director general (DG) level – to give them time to learn the dynamics of Whitehall departments and operating in a highly political atmosphere – rather than directly as permanent secretaries … Indeed, the data shows that external candidates are more successful when applying for less senior roles. (Institute for Government, 2013: 21)

Roughly between a fifth and a third of successful candidates to senior positions in the UK civil service come from the private sector (Civil Service Commission, 2013). The Netherlands would also have a relatively high proportion of senior level appointments from the private sector, with approximately 20 per cent of appointments to the senior civil service in 2012 being from outside the public service. In Canada, New Zealand

and Australia, by contrast, there is restricted external recruitment. In Canada, for example, 95 per cent of deputy minister appointments are drawn from the executive ranks; very rarely and only for example if a specialised position arises (e.g. chief medical officer) will the position be advertised externally. While open recruitment might arise somewhat more frequently for executive vacancies, the norm is still that these vacancies would usually be filled by serving public servants. Succession planning/talent management is taken seriously, there are seen to be a number of very qualified executives and the norm is 'to give the nod to someone internally'[12].

There is thus no consistent message from international practice that opening out employment opportunities at senior levels in the civil service is the way to go – practice varies. Also, there is a dearth of evidence about relative performance once in the post. Sue Cameron (2012) quotes Sir Gus O'Donnell, the former Cabinet Secretary, speaking at a seminar at the Institute for Government, suggesting that the experience of broadening out the field was not universally positive: 'I tried to bring people from the outside (which included public sector managers) and on the whole they did slightly worse than other civil servants'.

Interviewees did state, however, that there is a trend to higher levels of turnover amongst private sector than public sector appointees. Again, however, there is limited hard evidence about this. The strongest evidence is from the UK where the Public Administration Select Committee examined this issue:

> Another concern that has arisen over external recruitment is the high rate of outside appointees that leave the senior civil service after a relatively short time. Turnover rates for external SCS recruits have been consistently higher than those for internal recruits … To some extent the figures on retention are not surprising, since external recruits might be expected to be more mobile in their careers than internal recruits, who may well have spent their entire working lives in the civil service (PASC, 2010: 16-17).

In their analysis, the PASC conclude that recruitment from the wider public sector has been somewhat ignored in the debate on external recruitment, and that:

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[12] Telephone interview

We favour making a greater proportion of outside appointments from local government and the wider public sector rather than from the private sector. This is likely to help overcome problems of poor organisational fit, as recruits from the wider public sector have, unlike private sector appointees, generally been used to working in a political environment (PASC, 2010: 3).

2.5.1   Recruitment barriers

Regardless of whether the most appropriate candidate for top level positions in the civil service come from the civil service, wider public sector or private sector, it is desirable that the widest possible pool of candidates is available to choose from. In this context, it is useful to examine the potential and actual barriers to application from the private sector, the wider public sector, and from women.

Barriers to application from the private sector

Information coming from executive search firms used by the Public Appointments Service suggests that at both secretary general and assistant secretary general level they are now challenged by salary levels in attracting private sector people. This was not so much the case up to recent times, when the main barrier used to be the perceived reputational risk of being in the media spotlight. But now it is salary that is appearing as the main concern. The executive search firms estimate that the current situation is that salaries are around 30 per cent below the level needed to attract top candidates. The perceived reputational risk and impact of media scrutiny remains a significant barrier.

Similar factors are cited in the Netherlands[13]. Poor work life balance and the high level of public scrutiny are factors of some importance, but there is a difficulty in appointing qualified managers from outside the public service as member of the top management group largely because salary within the public service is less attractive. A recent Dutch law on public salaries adds to these difficulties by putting a cap on the salary of managers in the public service.

Salary levels are seen as a similar issue of concern in the UK, particularly for attracting younger candidates:

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[13] Telephone interview

The discrepancy in salaries makes it particularly difficult for the SCS to recruit people in mid-career, as they are less likely to be able to accept a drop in salary than those towards the end of their career who have had longer to build up a pension pot. (NAO, 2013: 34)

Reputational issues are also to the fore as barriers in the UK. The Institute for Government (2013: 36) note that criticism of senior civil servants by politicians and the media is seen as a barrier to applications from private sector candidates, not used to this level of public scrutiny.

Barriers to application from the wider public sector

In Ireland, there is a relatively low level of applicants for TLAC positions from the wider public sector (outside the civil service), who made up approximately 20 per cent of candidates in 2011/12. Of these, less than 10 per cent were called for interview, and around 5 per cent were successful applicants (*First Report to the Minister for Public Expenditure and Reform of the Top Level Appointments Committee*, TLAC, 2013). There is no empirical evidence of reasons for this relatively low rate of success. But the interviews suggested various possible reasons. In the case of the education sector (including universities) and health sectors, often candidates don't have the necessary experience in terms of the breadth of experience needed. They tend to have a narrower focus.

In the case of chief executives and other senior managers of state agencies, it was felt that often they have a better package where they are – higher pay, less political and public exposure – which makes moving unattractive. In the case of local authorities, with some notable exceptions, people generally don't see themselves as crossing between local government and the civil service. The widening of membership of the SPS beyond the civil service to include the wider public service could contribute to lowering barriers. This is planned but not until after 2015 '… in the medium term on an incremental basis' (Department of Public Expenditure and Reform, 2013: 6).

Barriers to application from women

While female applications are lower than male applications for TLAC positions (around one in four for 2011/12), once they get into the process female applicants consistently outperform their male counterparts at each stage (*First Report to the*

Minister for Public Expenditure and Reform of the Top Level Appointments Committee, TLAC, 2013). Again, there is limited empirical evidence for the relatively low rate of application, but the interviews suggest a number of possible reasons. First, levels of representation of women at principal officer level are lower to begin with. Also, the average age of appointment at assistant secretary general level is around mid-40s to early 50s, when children and family friendly working arrangements are high in many people's thoughts, and still predominantly affecting women. The job of assistant secretary is extremely demanding and often requires very long hours (for example if minister needs support for Dáil debates). One of the interviewees stated that there is still something of a macho culture around. Finally, the issues that affect all candidates are also present – why would someone put themselves forward to such a public position that can be focus of media attention etc., and why do it when remuneration levels are being reduced.

3

The retention, performance and development of senior civil servants

3.1   Introduction

Once senior civil service positions are filled, it is important to pay attention to retention, development and performance. Internationally, it is now common for there to be a senior public service 'cadre' with its own structure and supporting arrangements to facilitate development and performance management[14]. Ireland adopted a senior public service (SPS) in 2011 to promote a more integrated public service and to strengthen senior management and leadership capacity, by ensuring greater mobility and opportunities for development at senior levels[15]. Membership currently comprises civil servants at director level and above, the vast majority at assistant secretary level.

According to a World Bank review of senior executive services (SES) (Lafuente, Manning and Watkins, 2012: 6), apart from country-specific reasons, there are two main general reasons for the creation of a senior public service:

a) Senior government posts are a tough semi-political territory which requires distinct skills and competencies often not developed within traditional departmental careers. This, in turn, the argument goes, requires distinctive recruitment efforts to attract and retain the right staff together with distinctive competency management to build the right skills.

b) Many countries face the issues of a lack of continuity in senior government positions and the pursuit of narrow, stove-piped departmental agendas, creating a staccato form of government - with much energy lost in reinventing initiatives and getting new staff up to speed. To address these issues, SESs are established to create a lasting cadre with a whole of government perspective through experience across a range of government functions and working with diverse politicians.

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[14] Varied terms are used for such a grouping, including senior civil service, senior public service, and senior executive service.

[15] Initially established in the civil service only, the stated intention is to extend membership to the wider public service. This extension is intended to happen after 2015 'in the medium term on an incremental basis' (SPS Leadership Development Strategy 2013–2015)

This latter point on the need for capacity that cuts across organisational boundaries has been emphasised in New Zealand:

> Current statutory and other settings are not optimal to support the development of the kind of leadership needed to meet the challenges of the future. Government and public expectations of the State services have grown, and the challenge of the future is to address, within a smaller resource base, more difficult issues which either require major innovative shifts in how single agencies operate, or which cannot be addressed on a single-agency basis. Consequently, to a greater extent than at present, chief executives will have to work across government, as well as leading their own agencies. A shift in the public management model will be required: from decision-rights usually at agency level, to instances where decision-rights sit at sector or system level. (Office of the Deputy Prime Minister, 2013: 2)

The capacity of senior civil servants in Ireland relates to their ability to get things done, to address challenges, follow through on commitments and ultimately to achieve valued outcomes for the citizen. Murray (2007), in a paper to the Institute of Public Administration national conference, makes the point that public discussion of capacity most commonly focuses on the ability to deliver services. However, he also highlights two further aspects of civil service capacity:

- Capacity to give effective advice. This reflects the ability of senior civil servants to give well judged, independent, evidence based and timely counsel.
- Capacity to deploy and renew basic values of good public management. This relates to the ability of senior civil servants to preserve and assert the independence of the civil service, to never fail in its commitment to probity and in its skill in 'speaking truth to power'.

Given this context, it is, as Murray (2007) concludes, 'obvious that the stewardship of capacity is therefore a central responsibility of management at all levels' and 'public managers must be bothered and should devote effort, as a priority, to understanding, building and deploying the capacity to perform effectively.'

The need to improve leadership capacity has certainly been a central motivator in establishing the SPS in Ireland. As Boyle and MacCarthaigh (2011:30) note, the

establishment of the SPS provides an opportunity to develop a shared public sector leadership and corporate resource which is consolidated by common public service values and experiences, but which also challenges established mind-sets and culture and seeks to adapt in the face of new norms, risks and challenges.

Other evidence, in particular from the Organisation Review Programme (ORP), suggests that there is a clear need to improve leadership capacity across the civil service. A selection of comments with respect to leadership cited in the reviews, which commenced in 2008, include:

'The need for the department to provide enhanced leadership across the sector'

'[The need to] place a greater focus on efficiency in managing staff resources and on improving HR practices, as well as developing internal leadership'

'[The need to] take clear ownership of policy positions and agendas and project ministerial and government policy in this area'

'The quality of leadership across the department is uneven'

Even in departments perceived to be performing well in many other respects, it is reported that there is considerable variation in the quality of leadership (O'Riordan, 2011:22).

The remainder of this chapter focuses on issues that need to be addressed with regard to the retention, performance and development of senior civil service capacity. Specifically, it looks at competencies required, performance appraisal/management, talent management and succession planning, administrative supports for the senior public service and the potential role of a head of civil service.

3.2   Competencies for the senior public service

A starting point for determining the development and performance requirements of senior civil servants is to know the competencies they need to be effective. Undoubtedly, the environment in which the public service operates has changed dramatically over recent decades. As noted in the *SPS Leadership Development Strategy* (Department of Public Expenditure and Reform, 2013:5), there is now a 'more complex environment that poses challenges to the structures, systems and strategies that have served us in the past. Factors such as the economic crisis, the increased importance of citizen orientation and quality of public services, in addition

to the need for permanent reform and change, demands strong strategic and operational top management'.

While the need for cost savings and efficiencies dominates the objectives of senior public managers against a background of economic recession, it is also recognised that the SPS requires a longer term vision that transcends the political cycle. The vision for the SPS in Ireland is:

> To build a community of leaders that supports national recovery and builds renewal through innovation and excellence, strengthening cross-organisational collaboration, supporting continuous personal and professional development and inspiring others to achieve high performance in a common purpose.

A number of values and suggested behaviours are derived from the vision (see Box 3.1). They include well-established public service values and those that are of increasing importance against a backdrop of growing expectations among citizens for high standards of performance and accountability.

Box 3.1   Values and behaviours for the Senior Public Service in Ireland

Values identified for the Irish SPS are:

- Integrity, honesty and courage
- Respect for people
- Respect for democracy and the law
- Protecting the public interest
- Openness
- Collaboration
- Personal accountability

These values in turn suggest a range of behaviours that should be evident in members of the senior public service:

- Managing people well
- Continuous self-development and resilience
- Looking to the future
- Good communication
- Value for money

- Innovation and managing change
- Achieving results
- Team work

As in other countries these values and behaviours expected of senior public servants are used to help developing a competency framework to identify the skills which senior public servants are expected to display and which can be used to underpin and integrate a set of processes relating to recruitment, performance management, executive development and succession planning. The *SPS Leadership Development Strategy 2013-2015* (Department of Public Expenditure and Reform, 2013) suggests that the following competency areas require particular attention in the context of training and other development initiatives for the SPS:

- Resilience and self-knowledge, energy and self-development
- Values and ethics, serving the public interest, accountability
- Management of staff – in particular day-to-day interface with colleagues, visibility, motivation, performance management, building morale, mentoring
- Team working, working across boundaries
- Achieving results in a way that strikes an appropriate balance between speed/delivery of results and the need for proper planning/long term strategic direction, risk management;
- Project management skills in particular the supervision/oversight aspects of project management ;
- Strategic HR and corporate contribution –talent management, supporting the career and skills development of others; succession planning at both divisional and corporate levels; For new assistant secretaries, the step up to the management board/corporate responsibilities.
- Managing relationships with the political system
- Credibility, presence

Consequently in 2013 a decision was made to review the existing assistant secretary competency framework. This was carried out by the Public Appointments Service and the Department of Public Expenditure and Reform to ensure that all future recruitment and development of senior civil servants reflects the wide ranging new issues and challenges facing the civil service including:

- People operating in a hostile and negative environment
- Highly complex issues in a complex environment
- Concern as a result of a short-term focus within the system
- Huge increase in the pace and volume of work
- Less time for analysis and a need to make decisions very quickly
- The critical importance of effective interface with the political system

The review was also informed by competency frameworks developed in other countries and a number of reviews of the Irish public service including the OECD review in 2008 and the Wright and Nyberg reviews done in the aftermath of the banking crisis and economic collapse. Consultation with senior public servants and other relevant stakeholders also took place. The new competency model identifies the following main competency areas:

- Exemplifies public service values
- Thinks strategically
- Managing relationships
  - Leads people
  - Collaborates and communicates with conviction
- Delivery focus
  - High performance and delivering results
  - Drive and resilience
- Specialist expertise and self-development

Compared to the previous competency model, the new model gives more attention to competencies such as exemplifying public service values, resilience, accountability, cross-cutting issues, and the relationship with the political system. These competencies would broadly be aligned with those of other jurisdictions. Indeed, the review drew on practice in the UK, Netherlands, Australia, Canada, New Zealand and the private sector. Appendix 1 sets out the competency requirements for the senior civil service in the Netherlands, and there is much common ground with the Irish assistant secretary competency framework. The indications are that the competency specification for senior civil servants is in line with international good practice.

3.3   Performance appraisal/management

In Ireland, assistant secretaries general are subject to performance appraisal through the performance management and development system (PMDS)[16]. Secretaries general are currently not subject to formal performance appraisal.

Individual performance management for senior officials is an important element in securing effective performance and accountability. In Ireland, a discussion paper on civil service accountability and performance published by the Department of Public Expenditure and Reform (Government Reform Unit, 2014: 17) notes that ' … in order to respect the principle of civil service impartiality and neutrality, even where evidently there are serious shortfalls in organisational performance, there can be, depending on the national context, quite limited scope for the political system to effectively hold senior civil servants and departments to account for their performance'. This reflects a general sense that there is a need for improved performance management arrangements delimiting respective ministerial and senior civil servant responsibilities. The discussion paper goes on to state that the possibility of more formal ministerial input into the performance management of senior officials should be examined (Government Reform Unit, 2014: 46).

The IPPR (2013: 79) identify a number of features of recent attempts in a range of countries to strengthen the accountability of senior officials in response to similar issues being raised to those identified in the Government Reform Unit discussion paper:

- There has been an attempt to clarify the respective roles and responsibilities of Ministers and officials (often in legislation).
- Senior officials are increasingly held accountable to the 'centre', via appraisal systems and in some cases through the use of fixed-term contracts.
- Strengthening the accountability of individual officials can have unintended consequences: in particular it can entrench a silo-mentality with senior officials incentivised to focus on the performance of their department only, and not the performance of the Government as a whole.
- Partly in response to this a number of countries have introduced performance management-regimes that explicitly focus on improving the capacity of the Civil Service as a whole.

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[16] http://hr.per.gov.ie/pmds-2013/

Individual country experiences are examined in more detail below.

Canada

Information obtained from a report of the Clerk of the Privy Council (2009) and from the IPPR (2013: 92-93) provide information on the performance management of senior officials in Canada. At the heart of the Canadian performance system for senior executives are two elements: a performance agreement, setting out a clear statement of concrete objectives for the year; and a performance evaluation process relative to that performance agreement.

The individual written performance agreement outlines what is to be achieved over the coming year. Performance agreements are linked to government plans and ministerial objectives (outlined in business plans). The basis for the performance agreements are:

- Priorities of the government;
- Priorities of the Clerk of the Privy Council;
- Priorities and plans of individual departments and agencies;
- Individual development needs.

The performance agreement for deputy ministers (secretary general equivalents) is divided into three parts: 1) policy and program results; 2) management results; and 3) personal results. The performance agreements of all staff below the deputy minister are intended to flow from this agreement.

A potential risk and indeed a noted disadvantage of the performance agreement system lies in its complexity. Setting SMART[17] objectives and indicators has proved difficult in many cases. In addition, it has taken a lot of time and training of executives to create awareness and understanding of the new performance arrangements. Time has to be allowed therefore for the system to develop (Ketelaar, Manning and Turkisch, 2007).

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[17] Specific, measurable, achievable, relevant and time bound

The evaluation process is intended to provide a comprehensive picture of the performance of each deputy minister and associate deputy minister relative to their performance agreement, and the context in which they operated during the year. There are four basic elements of the evaluation process:

- *Self-appraisal.* Deputy ministers are required to evaluate their own performance against the objectives and performance indicators set out in their performance agreement. In addition, a retired deputy minister is engaged to meet individual deputy ministers to discuss their self-appraisal, seek the views of selected colleagues, and provide this perspective on each deputy minister and associate deputy minister to the peer review committee.

- *Management assessments.* Management Accountability Framework assessments are provided by the Treasury Board Secretariat for each deputy minister and are the mainstay of evaluating management performance in departments/agencies[18].

- *Peer review.* A committee of senior officials, composed of deputy ministers and chaired by the Clerk of the Privy Council, reviews all evaluation input and provides its own comments on the individual performance of all deputy ministers and associate deputy ministers.

- *Feedback.* Following this peer review, the Clerk of the Privy Council and Associate Secretary meet with all deputy ministers to provide structured, 45-minute feedback on their evaluations, with a clear identification of strengths and weaknesses and suggestions for learning. The Associate Secretary provides similar feedback to all associate deputy ministers.

All recommended performance ratings, and the related compensation, are submitted, through the Clerk of the Privy Council, to the Governor in Council[19]. Senior civil servants who do not perform according to expectations can be dismissed or removed from their positions. Although civil servants can be terminated for the civil service, the appeal procedures mean that termination is a lengthy and complex process and in practice it is a rarity. Normally if an executive does not meet the commitments in

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[18] The Management Accountability Framework (MAF) is intended to clarify management expectations of deputy ministers and sets out 10 high-level management expectations. These are accompanied by a set of indicators and associated measures. Organisations are rated based on an assessment scale. See http://www.tbs-sct.gc.ca/maf-crg/index-eng.asp

[19] The governor general acting on the advice of the federal cabinet.

his/her performance agreements – perhaps several years in a row – he/she will be found a different role or will be demoted.

UK

In the UK senior civil service (SCS) performance management involves three main elements (Cabinet Office, 2012):

- ***Performance planning***. All members of the SCS must have their core objectives set out. The objectives that have been agreed for individual permanent secretaries should also be considered in order to ensure consistency within the department. Each member of the SCS must have at least one objective under each of the following headings: business delivery; finance/efficiency; and people/capability.

- ***Performance reviews***. Reviews are part of an on-going process and provide an opportunity for managers and job holders to discuss the continued appropriateness of the job holder's objectives, how the job holder is doing, and any short-term or long-term development needs. As part of performance reviews managers should take account of how the job holder is progressing, and the degree to which individuals are demonstrating the standards of behaviour set out in the leadership model used by the SCS, any competency frameworks, and the Civil Service Code.

- ***Performance assessment.*** Performance must be formally assessed at both the mid-year and end-year point. The performance of job holders must be assessed by taking account of both 'what' they have achieved, and 'how' they have achieved it. 360 degree feedback on the job holder must be collected as part of the end-year appraisal process. This should cover both staff and peers.

As part of a government move to sharpen the performance management of permanent secretaries, the personal performance objectives for all permanent secretaries were published for the first time in December 2012.

With regard to the operation of the performance management system in practice, the Institute for Government (2013: 43) note:

> We have not conducted detailed research into the performance management system, but in the course of our interviews we encountered significant scepticism about the effectiveness of this system. One permanent secretary

noted that their list of objectives was too long be meaningful as a prioritising mechanism, so each permanent secretary had to decide their own priorities themselves. It was also pointed out that the objectives published in December 2012 were for the 2012-13 financial year, meaning they had been agreed more than half way through the year. Another permanent secretary agreed that the process of agreeing the objectives had been badly handled last year … Overall, the message we heard was that performance management within departments, for which permanent secretaries are responsible, is far stronger than management of permanent secretaries by the centre.

New Zealand

The State Service Commissioner is responsible for ensuring that departmental chief executives are held to account for their roles in relation to key Government objectives. The Commissioner is responsible for putting in place formal systems for expectation setting and performance management of chief executives in these roles to reflect their broader responsibilities. (Office of the Deputy Prime Minister, 2012: 4-5)

With regard to performance management a 'Letter of Expectations' is sent from the minister outlining the chief executive's objectives for the coming year. Responsibility for the assessment of the performance of chief executives rests with the State Service Commissioner. Ministers are formally consulted and asked to express their views in respect of how they believe chief executives have performed against agreed objectives (IPPR, 2013: 81)

New Zealand was the initiator of developing a formal contractual relationship between ministers and chief executives. It is therefore instructive to learn from their experience in this regard with respect to performance management. The IPPR (2013: 83-84) note that:

> The original thinking behind the contractual model was that Ministers would contract Chief Executives to deliver agreed objectives by 'purchasing' outputs from them. These would be negotiated annually and then Chief Executives would be tasked with delivering them – and held to account for doing so. Performance would be assessed by the Commissioner who would use this information to determine whether a Chief Executive's contract should be renewed or not (and

whether and what level of performance-related-pay they were entitled to). In practice, however, the model suffered from a number of deficiencies:

- The contracts became too focused on delivering things that were easy to measure and not on outcomes (the things that matter to Governments and the electorate).

- Intense contracting was considered too rigid and inflexible to work in a political environment (e.g. it was difficult to control for 'events').

- It created a silo-mentality, where Chief Executives only focused on the specific things they were being held to account for and not Government-wide priorities.

- Ministerial interest in the contractual model varied significantly. Some Ministers took it seriously but most were not sufficiently interested in the detail to make the contractual model effective. Here it is worth bearing in mind that Ministers are responsible for a number of different portfolios, which means they are responsible for agreeing contracts with multiple Chief Executives, which makes the process even more burdensome.

Consequently the formal contractual model has evolved significantly. While the basics of the model remain in place, the process and documentation behind it has been streamlined. The contract is used in a more 'informal' manner, providing a way of allowing ministers to express their broad priorities that they expect the chief executive to deliver.

In terms of providing more coordinated services and tackling the issue of fragmentation, chief executives are being assigned responsibility for key cross-cutting outcomes as part of a *Better Public Services* reform programme. Each priority outcome is assigned a lead minister and chief executive who are personally responsible for delivering them. They are supported by a board made up of the other relevant agency and departmental heads.

Australia

The performance of departmental secretaries is assessed annually by the Secretary of the Department of the Prime Minister and Cabinet (PM&C) and the Public Service Commissioner (PSC). The annual performance review is a statutory requirement in

the Public Service Amendment Act 2013, which formally sets out the responsibilities of departmental secretaries.

The IPPR (2013: 87) sets out the elements of the performance management process:

> At the beginning of each year, Secretaries are required to draft a performance agreement which maps deliverables for which they are explicitly personally responsible, as well as areas where accountability is delegated to others. This performance agreement must cover the five key areas of a Secretary's role: policy advice; management; leadership of the department; shared leadership of the APS; and stakeholder management. It is agreed between the Secretary of PM&C and the PSC, and also has to be countersigned by the Minister for the Public Service. In other words the agreement is between the Secretary of PM&C and the Commissioner; not between the Departmental Secretary and the Prime Minister or Minister.

> Towards the end of the year, Secretaries complete a self-assessment of their performance against the deliverables in their performance agreement. They are also subject to 270 degree feedback from a range of colleagues and stakeholders. In addition, the relevant division within PM&C provides input about each Secretary's achievements against the Government's strategic priorities. The PSC will draw together data it has about employee satisfaction within and agency and major demographic trends (e.g. diversity statistics). The Secretary of PM&C and the PSC seek an appointment with each Minister to give them an opportunity to provide input into the performance assessment of the relevant Secretary. Finally, the Secretary of PM&C and the PSC meet with the Secretary to discuss his or her performance. The performance review culminates in a report agreed by the Secretary of PM&C and the PSC that goes to the Prime Minister. (IPPR, 2013: 87-88)

3.4   Fixed-term contracts

Often associated with performance management systems for senior civil servants is the idea of fixed-term performance-related contracts. Secretaries general in Ireland are appointed on fixed term contracts generally of seven years. Five year contracts have been introduced for some other top posts, especially that requiring specialist expertise.

The consultation paper on civil service accountability and performance issued by the Government Reform Unit (2014: 46) suggests this approach may be widened:

> … the case for replacing permanent tenure for newly-appointed senior departmental officials and replacing it with fixed-term performance related contracts would be reviewed in the course of the consultation process. The implications of putting such contracts in place, including pensions, severance issues, other legal aspects of employment, attractiveness of positions, as well as impact on the political interface with senior officials and the ethos of the civil service, will require detailed consideration and examination. The strengths of the traditional civil service system would also form part of the examination of this area.

In most senior civil services, it is common for senior civil servants to have a permanent appointment as civil servant, but a fixed-term appointment for a specific position. Fixed-term appointments tend to vary between two and seven years. In the case of fixed-term appointments, senior civil servants often have to renew their contracts for SCS posts or apply for other SCS posts. In this case if a contract is not renewed, the SCS has to leave the SCS group and in some cases the civil service too (Kuperus and Rode, 2008: 15). In the Netherlands, for example, appointments to the SCS are for five years with the possibility of two one-year renewals, though some positions are also indefinite. After a full-term in position, they may take up another position. Towards the end of their term, the senior executive joins a virtual pool, managed by the ABD and they are required to look for another position. Ultimately, after two years, if a suitable position is not found the executive may be released from the civil service.

This approach, of fixed-term appointments to the SPS but within a framework of permanent appointment as a civil servant, is intended to provide a reasonable balance between ensuring the independence and continuity of service on the one hand and the need for responsiveness and a results-based performance orientation on the other. If moving to more use of fixed-term contracts, it is important to be aware of and avoid some of the pitfalls of contracting as outlined in section 3.3 in relation to New Zealand.

3.5 Talent management and succession planning - learning and development for senior executives

Talent management and succession planning for senior civil servants have tended to operate on an ad hoc basis. Whilst there have been individual initiatives in the past, there has been limited coordination and oversight. The *Public Service Reform Plan 2014-2016* (Department of Public Expenditure and Reform, 2014: 30) recognises weaknesses in talent management in the civil service in Ireland:

> Notwithstanding progress made with the establishment of the Senior Public Service, the Civil and Public Service in Ireland is lagging in terms of best practice in the critical area of leadership development and talent management. The quality and calibre of top and senior level managers is one of the main determinants of the performance of the Public Service overall. The development of a structured, integrated and co-ordinated system for leadership development and talent management is an important priority for the future framework for human resource management the Public Service.

The *SPS Leadership Development Strategy 2013-2015* (Department of Public Expenditure and Reform, 2013) contains a number of proposals with regard to talent management and succession planning. These include executive coaching and mentoring, development programmes, group learning through initiatives such as networking events and communities of practice, and a mobility programme.

One area where progress is being made is with regard to coaching. A pilot initiative introduced in 2012 led to the development of a coaching programme in 2013 aimed at:

- Enhancing two or three aspects of personal, interpersonal and leadership skills
- Strengthening the ability of participants to manage significant organisational change
- Agreeing and implementing a plan of continuous personal performance improvement

A tender process was undertaken to establish a panel of coaches. Eight coaches were selected. A total of 38 SPS members, from 22 departments/offices, applied to take part in the first tranche of the programme and between three and six were assigned to each coach. A second tranche included 30 SPS members and 21 chief executives from

non-commercial state agencies. The intention is that each participant has six coaching sessions, generally of 90 minutes duration, on approximately a monthly basis, with a seventh session held after a further six months to review progress. The administration of a 360 degree questionnaire is a compulsory part of the programme, feedback from which identifies the personal objectives for the individual's coaching programme. The programme will be reviewed during 2014.

The experience of Canada, New Zealand and the Netherlands provides some illustrative examples of how other talent management initiatives identified in the *SPS Leadership Development Strategy 2013-2015*, and the shortcomings outlined in the public service reform plan, might be tackled.

Canada

Canada's approach to talent management is an interesting example from an Irish perspective, as they had restrictions on recruitment in the 1990s similar to those in operation in the Irish public service since 2009. In that context, and with retirements of senior officials, in the 2000s they identified an issue around talent management at senior levels:

> A complete transformation in the leadership of the Public Service is taking place as the retirement of the post-war generation and the cessation of recruitment in the mid-1990s play out. In the near term, the effect of this changeover is churn in the senior ranks. Increasingly senior leaders are newly promoted and stepping into critical jobs responsible for delivering major programs and services while at the same time learning on the job. Given the demographics, it will take a few years before this dynamic changes. Within this context, the importance of rigorous talent management, including succession planning, cannot be overstated (Prime Minister's Advisory Committee on the Public Service, 2010).

As a result of their review of the situation, the Prime Minister's Advisory Committee (2010) made a number of recommendations:

- Deliberate steps must be taken to manage churn and establish greater continuity in senior leadership positions. Effective succession planning and talent management are essential, given the demographic realities facing the Public Service.

- Deputy heads should remain in their positions for at least three to five years. This goal should be maintained. We realize this will not always be possible in the short term, given demographic and operational needs.

- However, when rapid changes are inevitable, it is even more important to have rigorous talent management and succession planning. This should include a systematic approach to developing associate deputy ministers and assistant deputy ministers for more senior positions.

With regard to executive talent management, a Public Service Leadership Development Framework[20] was developed. This framework emphasises the importance of on-the-job experience as the most important strategy for growing talent and potential, combined with mentoring and coaching, and classroom programmes and other learning opportunities. The framework is supported by the Office of the Chief Human Resources Officer, The Public Service Commission and the Canada School of Public Service.

An online executive talent management system (ETMS) has been established, made up of an executive talent management module and a performance management programme budgeting module. The ETMS is intended to help leaders to better know their executive community, manage talent and build a stronger public service. It also is intended to bring benefits to executives by offering them a comprehensive personal overview of their performance, career aspirations and developmental needs all in one place. The goal is to support deputy heads in having the necessary information to match the right executives with the right skills to the right position to deliver results to Canadians and support public service excellence.

It is mandatory for senior executives in the core public administration to participate in the annual executive talent management survey exercise and voluntary for more junior executives to participate. However, all executives are encouraged to use the ETMS. By using the ETMS, participating organisations receive executive profiles as well as aggregated departmental and public service wide data reports of the executive talent pool. Senior management reviews vary according to each organisation, but all would normally include the following:

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[20] http://www.tbs-sct.gc.ca/chro-dprh/ldf-cpl-eng.asp

- Determination of the most appropriate and feasible training and/or developmental opportunities for executives within the context of current and future business requirements

- Discussion about their executive talent and the proposed recommendations for each executive within the context of organisational needs

- Identification of organisational skill shortages, gaps and review of critical positions, with special attention to those that do not have succession plans in place

- Selection or nomination of executives for key development opportunities

- Identification of emerging talent

- Determination of the appropriate talent map placement for the employee, which identifies, for example, if they are ready for advancement, should develop in their current role, or transition to retirement.

An internal review suggests that increased emphasis on performance and talent management is yielding dividends, though recognising the need to extend the good practices more broadly throughout all organisations (Clerk of the Privy Council, 2013).

New Zealand

The New Zealand public service is strongly promoting the importance of deployment in providing senior officials with development experiences to maximise their talent. A study carried out by the Office of the Deputy Prime Minister (2012: 8) suggests:

> Measures to facilitate flexible deployment are key to resolving both the issues around leadership development and the issues in deploying leaders to areas of critical need. The State services need to be led by people who think of themselves as leaders in the State services, not just their particular agency of origin, and who are highly skilled in collaboration across agency boundaries … developing the leaders of the future depends on being able to offer flexible professional development pathways to people who want experience across a wide range of roles, and agencies, for example through successive placements in different senior roles. And the same measures that put in place flexible deployment for leadership development can also be used to flexibly deploy leaders to where they are needed most.

However, the same study noted that there had been several, unsuccessful, attempts in the past to put in place a system of leadership development through rotation of key leaders across departments in line with individualised professional development plans. The conclusion drawn was that the primary reasons for failure were the voluntary nature of the initiatives combined with no central driving authority. Consequently, there are now plans to amend elements of the State Sector Act and:

> …replace them with provisions which will establish the State Services Commissioner's leadership role in relation to the development of a senior leadership and management group in the Public Service. It will also define the State Services Commissioner's responsibility for developing and implementing a strategy for the development of senior leaders in the Public Service by means including, but not limited to, the flexible deployment of individuals to developmental roles in departments, subject to their agreement and following consultation with the appropriate chief executives. It is envisaged that the State Services Commissioner will also, at an appropriate point, invite participation in these initiatives by departments and agencies of the wider State services. (Office of the Deputy Prime Minister, 2012: 9)

Netherlands

A number of talent management approaches are used in the Netherlands SCS[21]. These initiatives are managed or coordinated by the ABD, a centralised office established to managed the SCS and provide training and development:

- Performance review. Once a year, the 'reviewers' discuss the job performance and leadership development of managers and potential executives. The objective is to gain insight into performance levels, leadership development and growth potential across the board. Furthermore, the review provides insight into team configurations and leadership development, which plays a part in succession plans.
- SCS peer consulting offers managers who work for central government, municipalities, provinces, police and independent government bodies a way of achieving professional and personal growth. Peer consulting is a platform for self-reflection and a highly valued instrument. It is intended to empower

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[21] Information obtained from written correspondence following interview for this study

participants to obtain more insight into their personal styles of leadership and the effects of their leadership style.

- The SCS runs a professional government administration programme, where the core elements of professional government administration are taught in modules: democracy and constitution; ICT; international; finances and economy; and change: policy and organisation.
- The SCS runs a broad development programme targeted at future top-level managers: the SCS candidates programme. This programme was started in 2002 and is highly regarded by the secretaries-general, leaders and participants.

In summary, with regard to talent management, lessons from international practice would tend to emphasise:

- Getting the right mix of supports for senior executives between on the job learning, coaching and mentoring, and development programmes. While structured on the job learning is most important, the other elements of the mix also have important roles to play in developing talent.
- Ensuring a balance between mobility and turnover. International experience suggests that excessive turnover can cause problems through loss of knowledge and expertise, and needs to be monitored to ensure that mobility programmes bring benefits but do not cause excessive turnover.
- A good online system such as the Canadian EFMS provides an efficient platform to support talent management.
- The importance of having a central 'driver' of talent management with the authority to ensure it happens. The New Zealand experience suggests that without this driver to ensure leadership development initiatives actually occur, there is a danger of limited take-up.

3.5.1 Succession planning

Talent management initiatives generally are concerned with succession planning in that they are providing senior managers with supports to develop their skills and capacity to perform at higher levels. But there is a need also for specific initiatives targeted at succession planning. The *SPS Leadership Development Strategy 2013-2015* (Department of Public Expenditure and Reform, 2013) indicates that a

succession planning programme will be put in place to identify and develop the future leaders of the SPS.

The UK SCS has a very structured and rigorous approach to succession planning which merits attention. The *high potential development scheme* is designed to identify and develop staff at director level and exceptional candidates at deputy director level. There is a highly competitive selection process for the high potential scheme. Those selected are provided with support to develop the behaviours, skills and processes that will build leadership and strategic capability.

More generally, the Institute for Government (2013: 40) sets out the requirements for succession planning within the SCS in the UK:

> A written succession plan, with regular in-depth reviews, summarises the requirements for a post should a competition be held today. This should then be compared against the current senior talent pipeline and, if no-one matching the requirements is available, greater internal talent management or recruitment from outside to develop potential successors can take place. Specific names should be in the frame for the role even before the vacancy arises. This is not because they are the next up in the 'taxi rank', but because they have been identified and invested in as potential successors for a specific role.

With regard to the details regarding how succession planning is meant to work, the *Civil Service Talent Toolkit* (Civil Service Human Resources, 2013: 13-14) sets out the four core tools used in succession planning:

- *9 box grid*. The 9 box grid, maps individuals' potential and performance and helps to build the talent profile for the population. There is a requirement that staff are reviewed at least annually against the grid. See Appendix 2 for details of the grid.
- *Critical roles succession plan*. The succession plan identifies future candidates for defined roles or groups of roles and highlights where the coverage isn't deep enough. An example can be found in Appendix 3. A combination of the 9 box grid and critical roles succession planning can allow a clearer view of whether the right people are in the right roles at the right time, for example having a star performer in a pivotal role.

- *Leadership team overview*. The leadership team overview gives a snapshot of team potential, expertise and stability. It also provides a cross check on individual leadership development needs. For the Top 200 talent population[22] biographic data is also captured.
- *Critical vacancy map*. The vacancy map provides a picture of current and planned vacancies to identify potential internal candidates and to make a decision on the approach to filling the vacancy, in line with existing recruitment protocols.

3.6   Supporting the senior public service

In Ireland, an SPS management committee, chaired by the secretary general of the Department of Public Expenditure and Reform, has been established to oversee leadership development for the senior public service. The management committee is supported by an SPS secretariat established in the Department of Public Expenditure and Reform. The secretariat also supports the drawing up and implementation of SPS mobility and development initiatives.

Only two EU member states – the Netherlands and the United Kingdom – have created a centralised office for the management of SCS. Such a centralised office 'makes it possible to pay special attention to the SCS group, to establish an 'esprit de corps' or corporate culture in the context of autonomous organisations, to increase mobility between several ministries through a centrally-guided recruitment procedure and to organise specific support and development activities' (Kuperus and Rode: 15).

In the Netherlands, the tasks of the Office for SCS (ABD), as part of the Ministry of Interior, is to organise the appointment process for top management positions, to offer career counselling to senior civil servants, and to carry out training and management development. The ABD also performs a number of specific tasks for the top management group in terms of their legal status, remuneration and terms of employment both at the points of their appointment and resignation. (Kuperus and Rode: 15). The UK Civil Service Capability Group (CSCG) in the Cabinet Office is responsible for the leadership of the civil service and the management of SCS. (Kuperus and Rode: 15). The CSCG is responsible for the corporate development of

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[22] The Top 200 was set up in March 2006 as the corporate leadership group for the Civil Service. It's made up of the most senior civil service leaders, permanent secretaries and director generals

permanent secretaries, directors general, directors, and members of the high potential development scheme.

3.7   Head of civil service

There is no formal head of the civil service in Ireland. As MacCarthaigh and Boyle (2014) note, several countries have a formal head of civil service position, for example in Canada the Clerk of the Privy Council, in Australia the Secretary for the Department of the Prime Minister and Cabinet, and in New Zealand the State Service Commissioner. In the case of New Zealand this position is set out in statute in the State Sector Amendment Act 2013. In coming to the conclusion that the State Service Commissioner should be formally designated as the head of state services accountable for overall performance of the state services, an advisory group noted that previously the responsibility for leadership of the state services overall had been loosely 'and somewhat jointly' held by the three central agencies, and the group viewed this as a key system leadership issue (New Zealand Government, 2011).

In the UK, in 2011 the government split the position of cabinet secretary (traditionally seen as the head of the civil service) and head of the civil service, appointing as head of the civil service someone who combined that role with that of permanent secretary of a government department. This split has met with widespread criticism and recommendations for a full-time appointment of head of the civil service have been made by the Public Administration Committee (2012).

Going back to issues raised in Chapter 2 and in section 3.3, a head of civil service role or some equivalent role of standing is important to ensure coordination, provide assessment and feedback in the performance assessment of secretaries general, particularly if ministers are given more input into the assessment of the performance of secretaries general. In such a context, a central authoritative voice can act as an important safeguard for the independence of the civil service from potential inappropriate political interventions. The need for such a role is highlighted by experience in the UK over political criticism of a permanent secretary which prompted an intervention by the cabinet secretary[23].

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[23] 2323 http://www.independent.co.uk/news/uk/politics/exclusive-top-mandarin-hits-back-at-iain-duncan-smith-over-universal-credit-smears-8960874.html

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Appendix 1   Netherlands senior civil service competencies

The SCS Competency Management System standard for senior posts in Scales 17 and above is defined as 28 competencies, spread over 7 clusters. Competencies are used in the SCS for development purposes and offer an opportunity to talk about development issues in a common language with all the parties concerned.

Competencies

a	*Coherent management*	e	*Impact*
a 1	Future vision	e 1	Verbal presentation
a 2	Goal-oriented management	e 2	Self-confidence
a 3	Networking ability	e 3	Persuasiveness
a 4	Coherent leadership	e 4	Perseverance
b	*Solving problems*	f	*Resilience*
b 1	Information analysis	f 1	Energy
b 2	Judgement	f 2	Resistance to stress
b 3	Conceptual flexibility	f 3	Motivation to perform
b 4	Decisiveness	f 4	Ability to learn
c	*Interpersonal skills*	g	*Affinity with public sector management*
c 1	Listening	g 1	Awareness of environment
c 2	Interpersonal sensitivity	g 2	Political awareness
c 3	Flexible behaviour	g 3	Integrity
c 4	Helping subordinates develop	g 4	Dedication
d	*Operational effectiveness*		
d 1	Initiative		
d 2	Being in control of operations		
d 3	Delegating		
d 4	Mental agility		

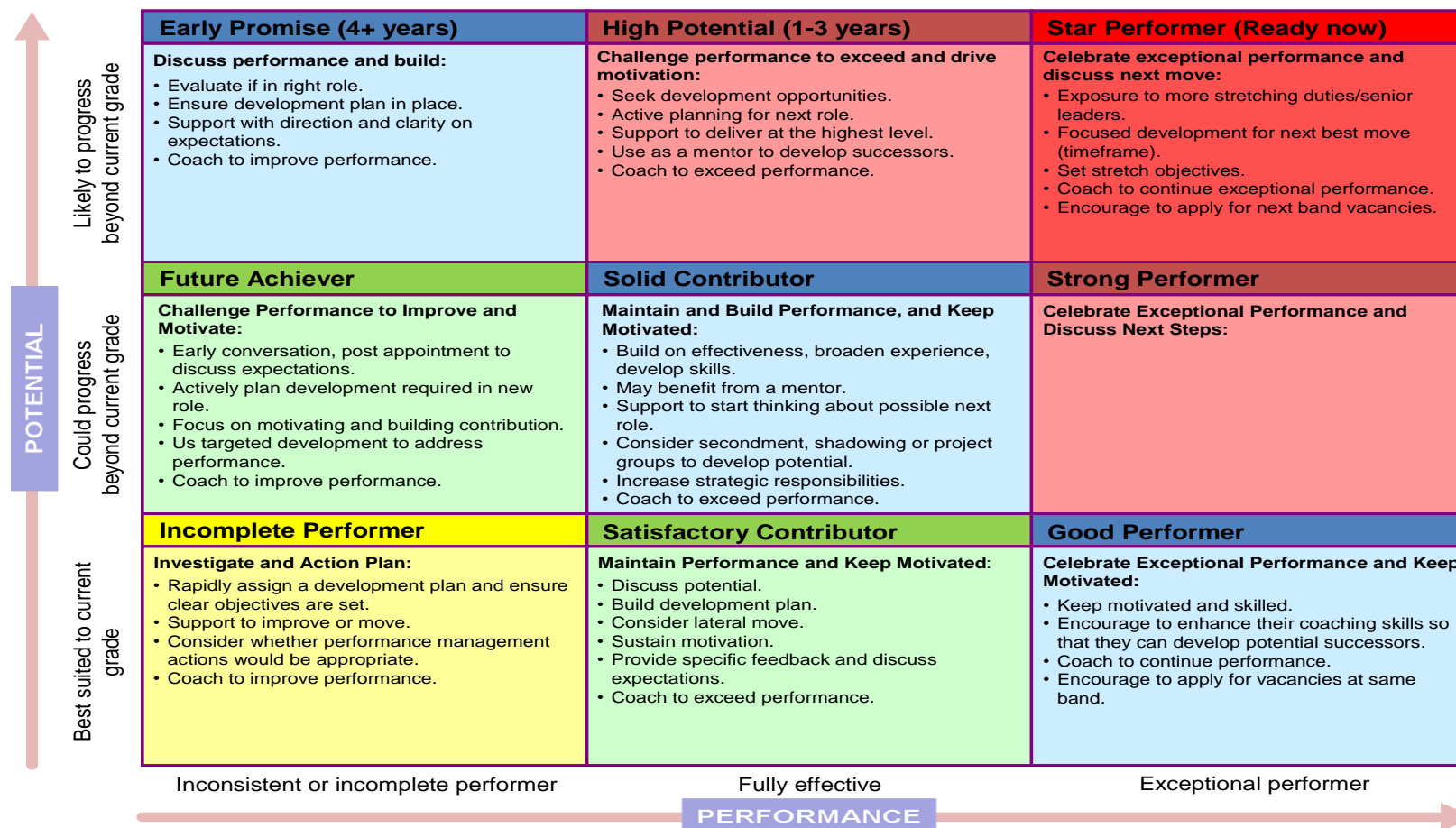**Appendix 2 – The 9 Box Grid: Definitions and Interventions**

The 9 box grid, maps individuals' potential and performance and helps to build the talent profile for the population. There is a requirement that staff are reviewed at least annually against the grid.

In the diagrams below, the first grid maps individual's potential. The second grid is that used to inform performance discussions.

POTENTIAL (vertical axis)

	Inconsistent or incomplete performer	Fully effective	Exceptional performer
Likely to progress beyond current grade	**Early Promise (4+ years)** — High potential with strong initial impact, but new or inexperienced in current role. _This is a transition marking. Individuals in this box would be expected to move across or down the grid within 18 months._	**High Potential (1-3 years)** — Frequently achieves challenging & stretching goals with strong demonstration of potential. Performance continually improving, adaptable to change and acknowledged as a leader.	**Star Performer (Ready now)** — An exceptional performer who stands out from their peers. Realised potential, ready for/will be successful at next level now. Acknowledged as skilled leader & role model.
Could progress beyond current grade	**Future Achiever** — Either new to post, demonstrating ability but too early to form judgement, or gap in performance compared with expectations. _This is a transition marking. Individuals are not expected to remain in this box for more than 12 months._	**Solid Contributor** — Valued at this level & in this role. Performance is good achieving normal high expectations, and has the potential to keep developing and to deliver more in either scale or complexity.	**Strong Performer** — A consistently strong performer, delivering excellent value. Acts as leader & role model. Exhibits some behaviours & competences beyond current level but not all.
Best suited to current grade	**Incomplete Performer** — Performance is inconsistent or not fully effective. Has competency gaps, or behavioural style issues.	**Satisfactory Contributor** — Meets all performance expectations at this level. Has realised professional & leadership capability. _There is an expectation that individuals in this box for more than 2 years will be subject to further review._	**Good Performer** — Highly valued at this level & in current role. A consistently strong performer who is a core team member.

PERFORMANCE (horizontal axis)

	Inconsistent or incomplete performer	Fully effective	Exceptional performer
Likely to progress beyond current grade	**Early Promise (4+ years)** **Discuss performance and build:** • Evaluate if in right role. • Ensure development plan in place. • Support with direction and clarity on expectations. • Coach to improve performance.	**High Potential (1-3 years)** **Challenge performance to exceed and drive motivation:** • Seek development opportunities. • Active planning for next role. • Support to deliver at the highest level. • Use as a mentor to develop successors. • Coach to exceed performance.	**Star Performer (Ready now)** **Celebrate exceptional performance and discuss next move:** • Exposure to more stretching duties/senior leaders. • Focused development for next best move (timeframe). • Set stretch objectives. • Coach to continue exceptional performance. • Encourage to apply for next band vacancies.
Could progress beyond current grade	**Future Achiever** **Challenge Performance to Improve and Motivate:** • Early conversation, post appointment to discuss expectations. • Actively plan development required in new role. • Focus on motivating and building contribution. • Us targeted development to address performance. • Coach to improve performance.	**Solid Contributor** **Maintain and Build Performance, and Keep Motivated:** • Build on effectiveness, broaden experience, develop skills. • May benefit from a mentor. • Support to start thinking about possible next role. • Consider secondment, shadowing or project groups to develop potential. • Increase strategic responsibilities. • Coach to exceed performance.	**Strong Performer** **Celebrate Exceptional Performance and Discuss Next Steps:**
Best suited to current grade	**Incomplete Performer** **Investigate and Action Plan:** • Rapidly assign a development plan and ensure clear objectives are set. • Support to improve or move. • Consider whether performance management actions would be appropriate. • Coach to improve performance.	**Satisfactory Contributor** **Maintain Performance and Keep Motivated**: • Discuss potential. • Build development plan. • Consider lateral move. • Sustain motivation. • Provide specific feedback and discuss expectations. • Coach to exceed performance.	**Good Performer** **Celebrate Exceptional Performance and Keep Motivated:** • Keep motivated and skilled. • Encourage to enhance their coaching skills so that they can develop potential successors. • Coach to continue performance. • Encourage to apply for vacancies at same band.

POTENTIAL

PERFORMANCE

Appendix 3 – Critical Roles Succession Plan

Department/Team:										
Date Completed:										
Role	Roleholder	Commenced Role	Due for Move:	Level	Emergency Cover	Ready Now	Ready 1-2 years	Ready 3-5 years	R/A/G Status*	Action

R/A/G Status:
• **Red** - Weak succession cover
• **Amber** - Reasonable succession cover with some gaps to address
• **Green** - Strong succession cover