Sustainability of Human Resources in EU Member States
Preliminary Findings

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- Outline of the study
- Sustainability Defined for Human Resources
- Short-term responses and long-term adaptation
  - Size (Recruitment / Dismissal)
  - Redeployment
  - Retirement Age
  - Salary
- Conclusions
The study:
- The goal of the study is to “share information about the levels of efficiency and sustainability in the human resources management within the administrations of the Member States”.
- Through a survey to HRM experts EU-27 on: (Size, mobility and salaries)

The survey on a moving ‘target’
- Fieldwork of the survey: 9 March to 8 April
- Developments after the survey: HR policies to cut public deficit

Preliminary findings
- Survey enlarged through participation (competencies, retirement, HR remit and impact on environment)
- 24 Responses: Surveys from Bulgaria, Germany, and Slovakia are missing.
Sustainability Defined for Human Resources

- **Social responsibility**: Impact of HRM on
  - Energy and land requirements, greenhouse gas emissions / social procurement and subcontracting...
  - Values-legitimacy (transparency, integrity, innovation, legality...),

- **Sustainability**: Long-term survival and adaptability of HR
  - Adaptation of...
    - size, competencies, reward level, HRM remit and function...
  - ... to present and future demands of policy and service delivery

- **Resilience**: Short-term response to environmental shocks...
  - “The capability to anticipate risk, limit impact, and bounce back rapidly through survival, adaptability, evolution, and growth in the face of turbulent change.” (Source: http://www.resilientus.org/)

*Should we link short –term responses to long-term adaptability?*
- **Medium-high impact** of the crisis on size at central level (70.8% countries)
  - Reduction of size (45.9% countries).
  - Moratorium of recruitment/ replacement rate (45.9% countries).

- **Determination of size**
  - **Authorisation by centre** on requests from ministries: 45.5% countries (e.g. France, Italy, Spain).
  - **Autonomy within budgetary limits:** 27.3% countries (ex.: Czech Rep., Finland, Poland / Belgium= fixed global personnel budget).
  - **Staffing targets centrally set?** 27.3% countries (ex.: Ireland, Lithuania, UK).

*Link of short-term response to strategic focus (changes across the board or priority sectors)?*
Priority sector for recruitment?

Number of countries

- General public services
- Defence
- Public order & safety
- Economic affairs
- Environmental protection
- Education
- Social protection
- Does not apply
Collective dismissal

- **Defined**: The termination of the contract of a certain number of employees (e.g. 10 or more) occurs in the same establishment in a short period of time (four weeks or so).
- **Possible** in 41.7% countries
- **Practiced** by 29.2% countries.

Some examples:

- **Sweden** – Layoff negotiated with trade unions according to rules in central agreements – redundant staff is supported in finding a job (with full salary from 2 months to a full year).
- As result of **abolition / mergers of public agencies** (e.g. Finland, the Netherlands and Romania)
Redeployment from surplus to deficit organizations (last 3 years)
- 29.2% countries with compulsory mobility
- 54.2% countries practiced mobility

Some examples
- Data bank in Finland with data input from surplus and deficit agencies / support of personnel coordinators

- Ireland: Government “commitment that compulsory redundancy will not apply within the Public Service... subject... to the agreed flexibility on redeployment being delivered” Public Service Agreement 2010-2014 (under ratification by trade unions).

- Portugal: Personnel on special mobility situation with preference over other applicants in competition procedures

What institutional mechanisms allow for redeployment / collective dismissals in the public sector?
Minimum: 60 (France) Maximum: No limit (UK, Denmark, Slovenia, Poland)
Variability in retirement age

It is the same for everyone

It differs among policy sectors

It differs among civil servants and labour contracts

Other differences

Differences in **gender** (Lithuania, Slovenia, Poland, Greece)
- **Delaying retirement age** – **systemic benefit**
  - Incentives: 45.8% countries – [Portugal (pension with a bonus) / Cyprus (increasing the gratuity granted at retirement)]
  - Mandatory: Under discussion in some countries (eg. France)

- **Early/partial retirement**: 83% countries – **individual- public agency benefit**
  - Partial retirement: Sweden / Slovenia to facilitate transition to (individual) retirement.
  - Early retirement: Linked to staff reduction– (e.g. Ireland).
• **Medium-high** impact of the crisis on salary for 69.9% countries
  - Reductions in Estonia, Greece, Ireland, Spain, Romania …
  - Similar trend, different reasons

• **Pressures on salary/payroll level by...?**
  – **Increase of (unnecessary) staff?**
  – Has **public sector pay risen** to unaffordable levels?
  – **Increase of non-visible parts** of payment (performance related payment)?
    - PRP: Practiced in 60.9% countries / for more than 80% of employees only in 2 countries / Limited in 47.8% countries
  – **Increase of seniority bonuses** in an ageing staff?
    - Practiced in 66.9% countries/ for more than 80% of salary only in 2 countries

• **Engaging staff beyond pay** (e.g. UK, Sweden, Greece)
Conclusions

- **Short-term response to crisis: Uniform reactions for diverse situations?**
  - **Most:** Moratorium / freeze / replacement rate in recruitment
  - **Some:** Collective dismissal
  - **A few:** Redeployment
  - **Double meaning** of retirement age: systemic and for public agencies

- **Short-term (reaction) should be anticipated by long-term preparedness...**
  - Has the crisis caught the systems unprepared?

- **The relevant questions for now/ and the future remain:**
  - How much staff do we need?
  - Where?
  - With what type of competencies?