Ex-ante conditionality

Related to Public Administration Reform (Thematic Objective 11)

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Overview of the presentation

- Context TO11

- Rationale for ex-ante conditionality

- Some principles of ex-ante conditionality

- Ex-ante conditionality for Thematic Objective 11

- Assessment criteria

- Sub-criteria

Interactive

Pressure on Public Sector 1

Tight budgets => "Do more with less"

Pressure on Public Sector 2

Citizen Expectations – "Online Generation"

Pressure on Public Sector 3

The Global Competitiveness Report 2012 - 2013

World Economic Forum - Geneva Switzerland 2012
Klaus Schwab
World Economic Forum

⌄ Download Complete PDF

Growth & Competitiveness

First Pillar!

GLOBAL COMPETITIVENESS INDEX

Basic requirements subindex

Pillar 1. Institutions

Pillar 2. Infrastructure

Pillar 3. Macroeconomic environment

Pillar 4. Health and primary education

Efficiency enhancers subindex

Pillar 5. Higher education and training

Pillar 6. Goods market efficiency

Pillar 7. Labor market efficiency

Pillar 8. Financial market development

Pillar 9. Technological readiness

Pillar 10. Market size

Innovation and sophistication factors subindex

Pillar 11. Business sophistication

Pillar 12. Innovation

Key for **factor-driven** economies

Key for **efficiency-driven** economies

Key for **innovation-driven** economies

Annual Growth Survey 2013

"National and EU level growth strategies can only be implemented <u>with the help of effective public administrations</u>"

Country Position Paper

Country Specific Recommendations

Common Strategic Framework 2014-2020

Thematic Objective 11 in DRAFT CPR:

"Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration"

Rationale for ex-ante conditionality

Key to ensure that all conditions for effective investment are in place which requires a combination of:

- ✓ Appropriate regulatory framework

- ✓ Effective policies with clear policy objectives

- ✓ Sufficient administrative/institutional capacity

Strategic Rationale

Some principles

- **Applicable ex-ante conditionalities: to be fulfilled before the start of the programming period**

- **If not fulfilled, to be fulfilled at the latest by 31.12.2016**

→ Action plan

Ex-Ante Conditionality ≠ Programming EU funds

National Reform Agenda as FOUNDATION → Meaningful Investments

This is **not** the idea of Ex-ante Conditionality

Not just a bureaucratic exercise...

A question before we start….

What is (good) Governance?

➢ How would you define it?

➢ How do you know when you have it?

➢ How would you measure it?

Corruption Formula

$$C = M + D - A$$

Corruption (C) equals monopoly power (M) plus discretion by officials (D) minus accountability (A)
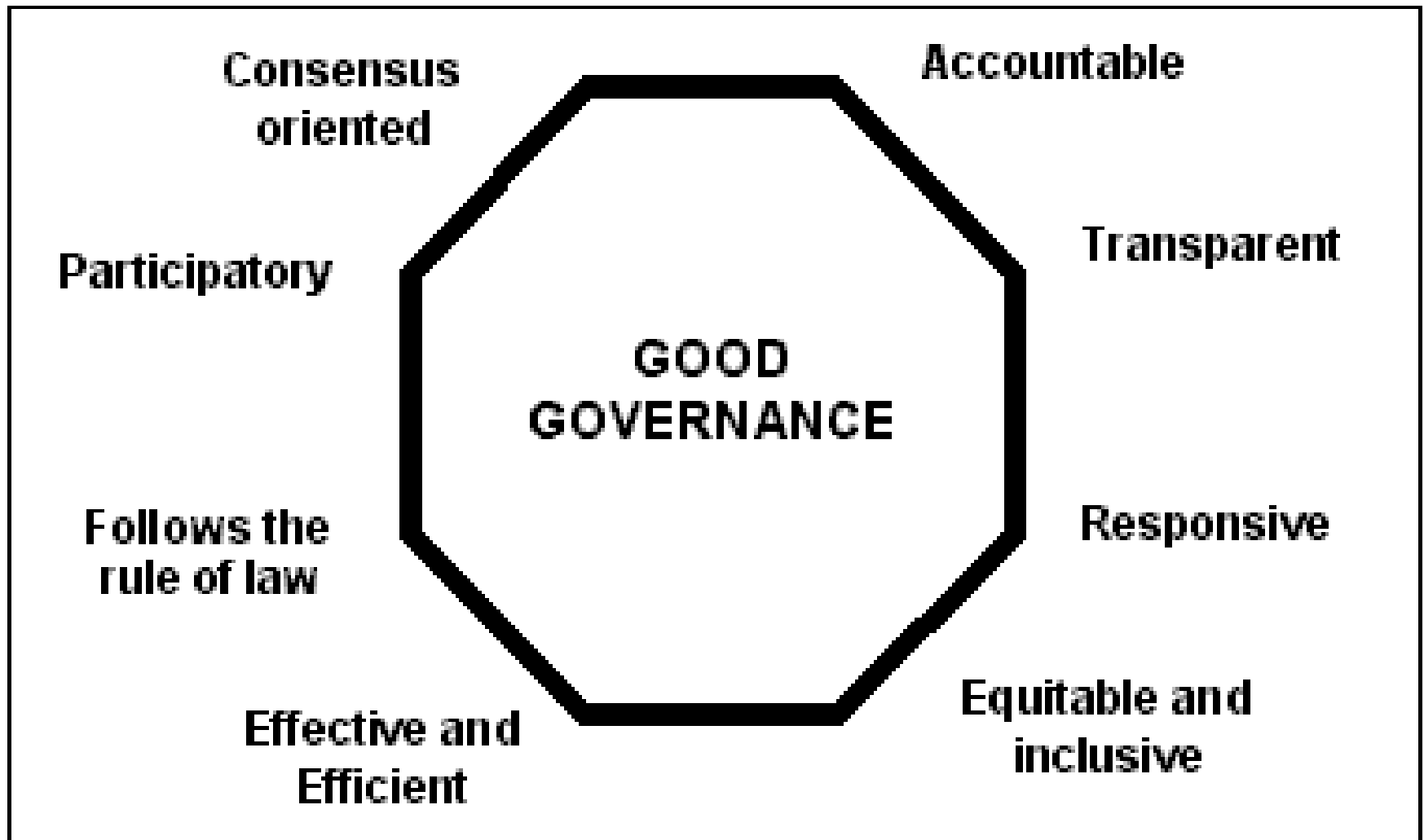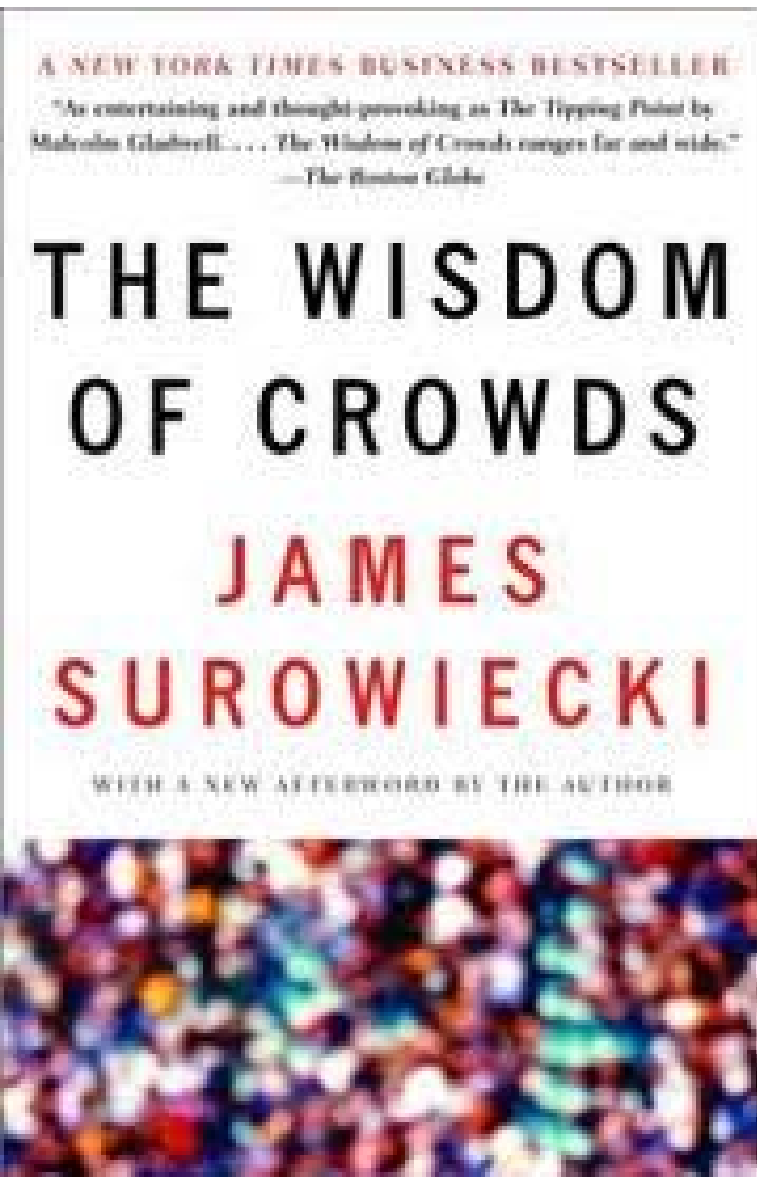
If you don't involve stakeholders

Good Governance = Balance of Interests
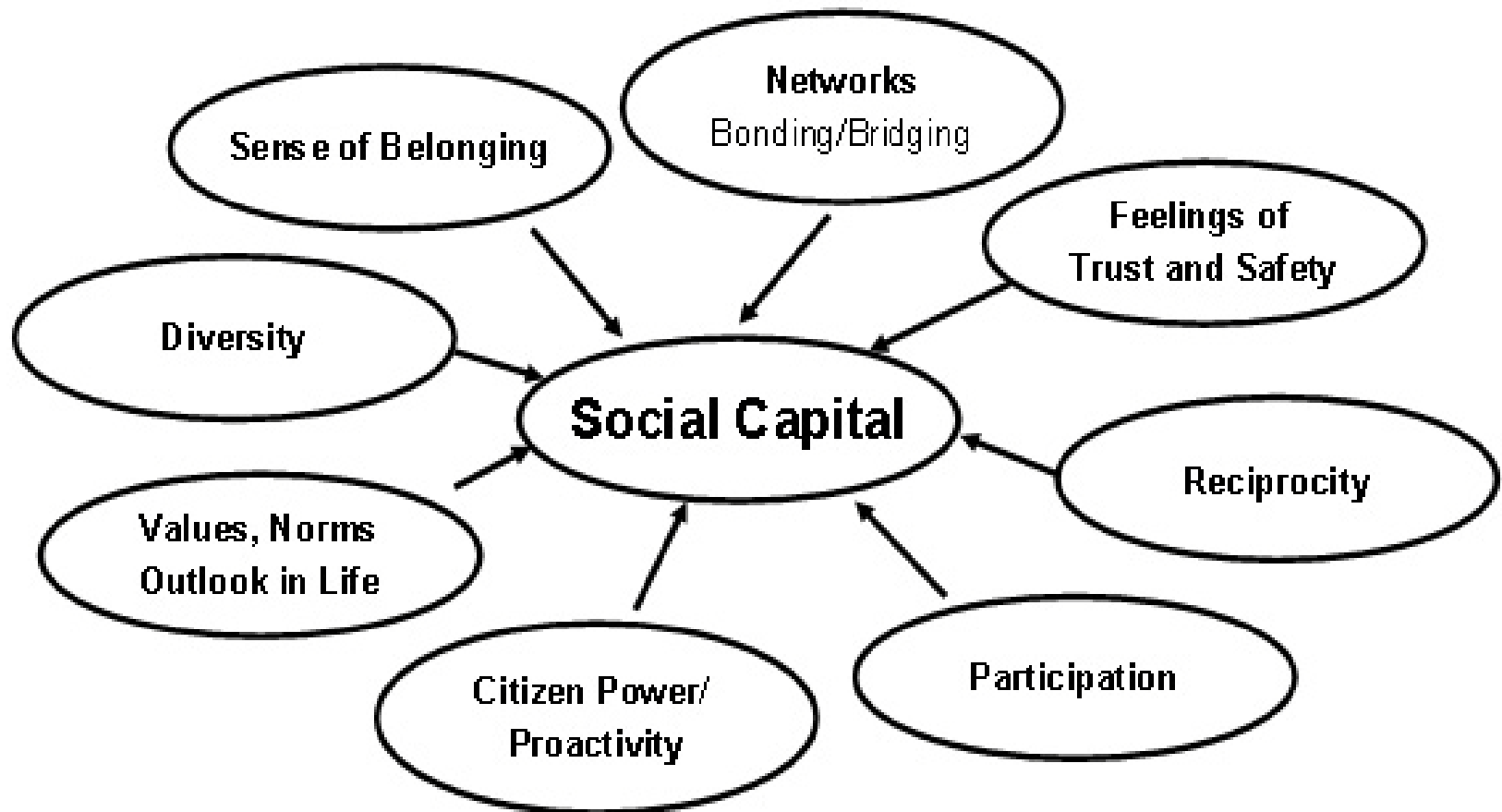
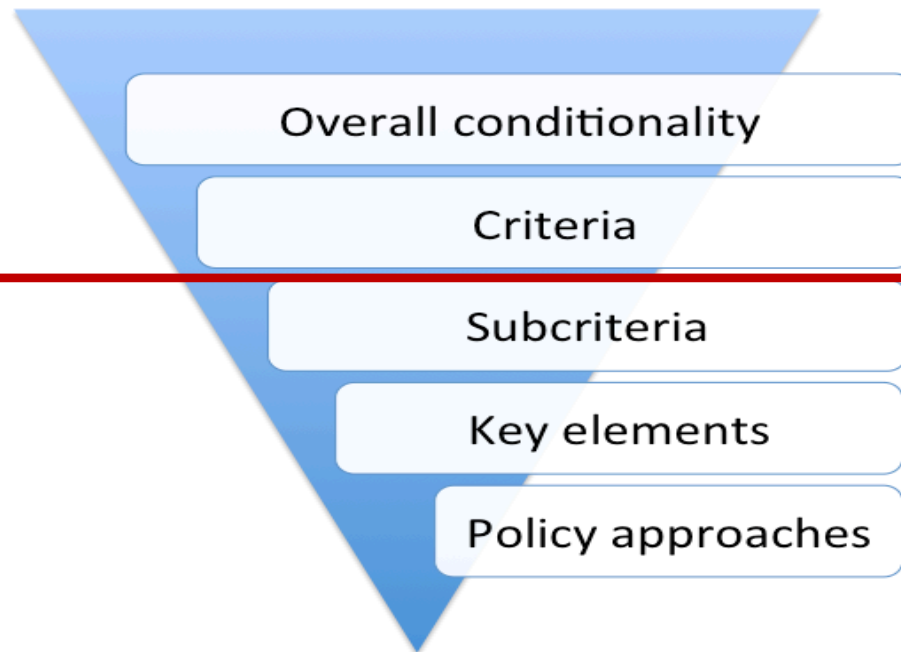*"Is responsive to present and future needs of society"*

Trust

Reliability

Satisfaction

What is Social Capital?

Thematic Objective 11

Ex-Ante Conditionalities

TO11 Conditionalities - Structure

Overall conditionality

Criteria

Subcriteria

Key elements

Policy approaches

Agreed with MS (Regulation)

TO 11 Overall conditionality

"The existence of a strategic policy framework for reinforcing the Member State's administrative efficiency including public administration reform"

Criteria for Fulfilment

Strategic Policy Framework

- ✓ is **in place** AND
- ✓ in the process of **being implemented**

... with the following elements...

Six Criteria TO11

1. Analysis & planning of reform

2. Quality Management Systems

3. Simplification & reduction of burdens

4. Human Resource strategy & policy

5. Skills development

6. Monitoring & evaluation

Strategic PAR approach

	Where are we?	Where do we want to go?	How do we get there?	Key Stakeholders?	Assumptions & Risks
Analysis & Planning					
QMS					
Simplify					
HR					
Skills					
M&E					

Criterion 1:

Analysis and Strategic Planning of reform actions
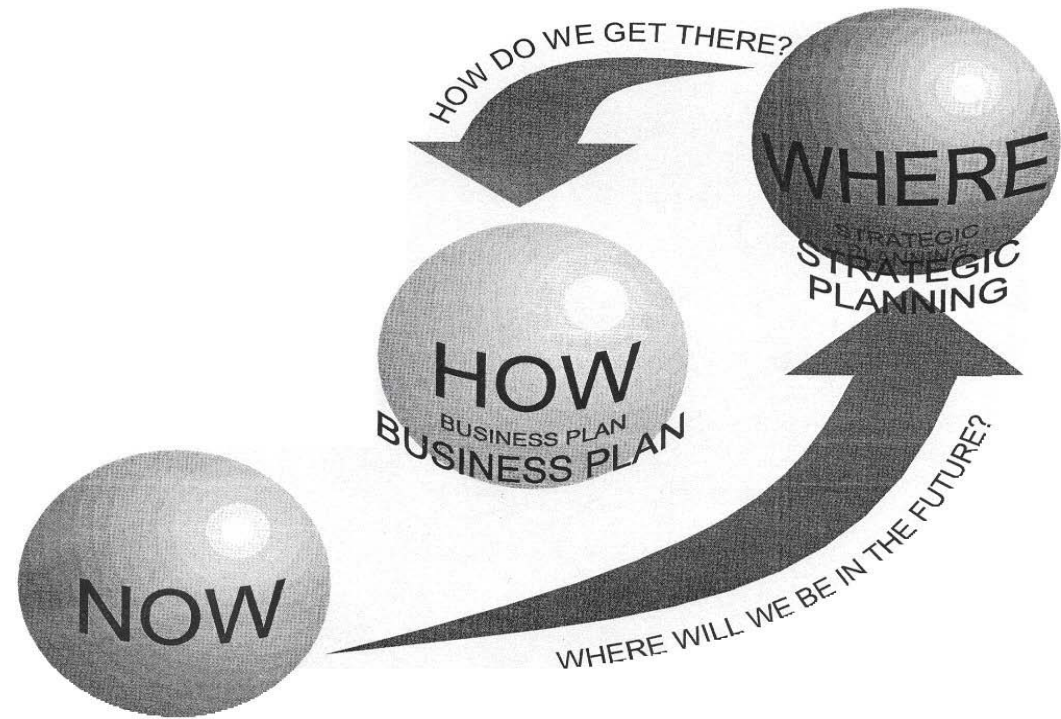
Criterion 1: Analysis & Strategy

Sub-criterion 1.1: Analysis of reform needs

- Key element 1: An analysis of the existing *regulatory framework* is carried out

- Key element 2: Analysis of the existing *organisational structure(s)* is carried out

- Key element 3: An analysis of the existing *procedural rules* is carried out

Approaches

How to obtain data/information

- Official Statistics
- International benchmarks
- Reports (e.g. donors, NGOs)
- Surveys (e.g. business, citizens)
- Focus groups
- Etc. (what else?)

Beware: this might cost money!

Situation Analysis – Typical Problems

- No data, irrelevant data
- Unreliable data
- Conflicting data
- Not substantiated statements (evidence?)
- Stakeholders disagree with "official data"
- No interpretation of data
- Wrong interpretation of data
- Etc. (your examples)

Some Data Analysis Tips

- ✓ Don't produce lots of descriptive data (boring)
- ✓ Provide evidence
- ✓ Check if data is correct (get a 2nd opinion, 2nd source)
- ✓ Interpret data (what does it mean?)
- ✓ Bring out the key issues
- ✓ Compare and benchmark (other areas, national, international)
- ✓ Keep it short (put tables in an Annex)
- ✓ Involve stakeholders in data gathering, discuss and agree findings & conclusions with stakeholders
- ✓ Check good examples
- ✓ Use a template

Useful Tips
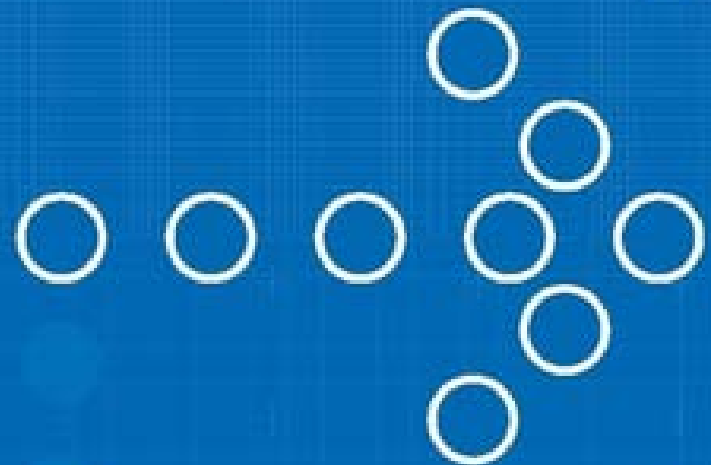
Governance Indicators (World Bank)

- ✓ Voice and Accountability
- ✓ Political Stability and Absence of Violence
- ✓ Government Effectiveness
- ✓ Regulatory Quality
- ✓ Rule of Law
- ✓ Control of Corruption

For Example:

http://info.worldbank.org/governance/wgi/index.asp

Criterion 1: Analysis & Strategy

Sub-criterion 1.2: Strategic Planning of reform

- Key element 1: Development of a *sustainable and long terms perspective* in the planning of the reform(s)

- Key element 2: Translating the reform plan(s) into a workable *operational level*
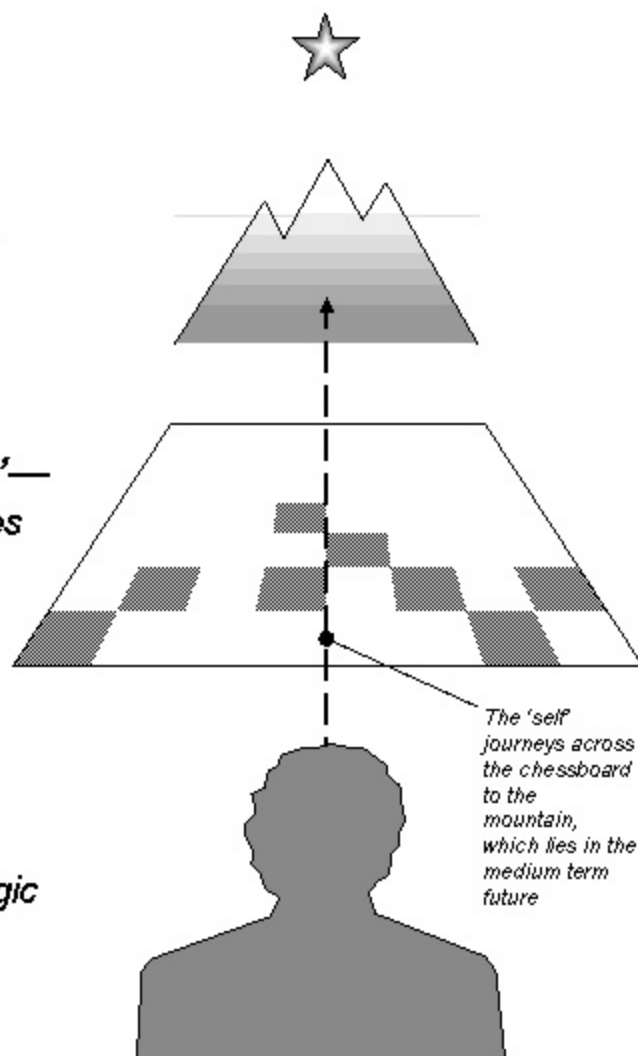
Approaches
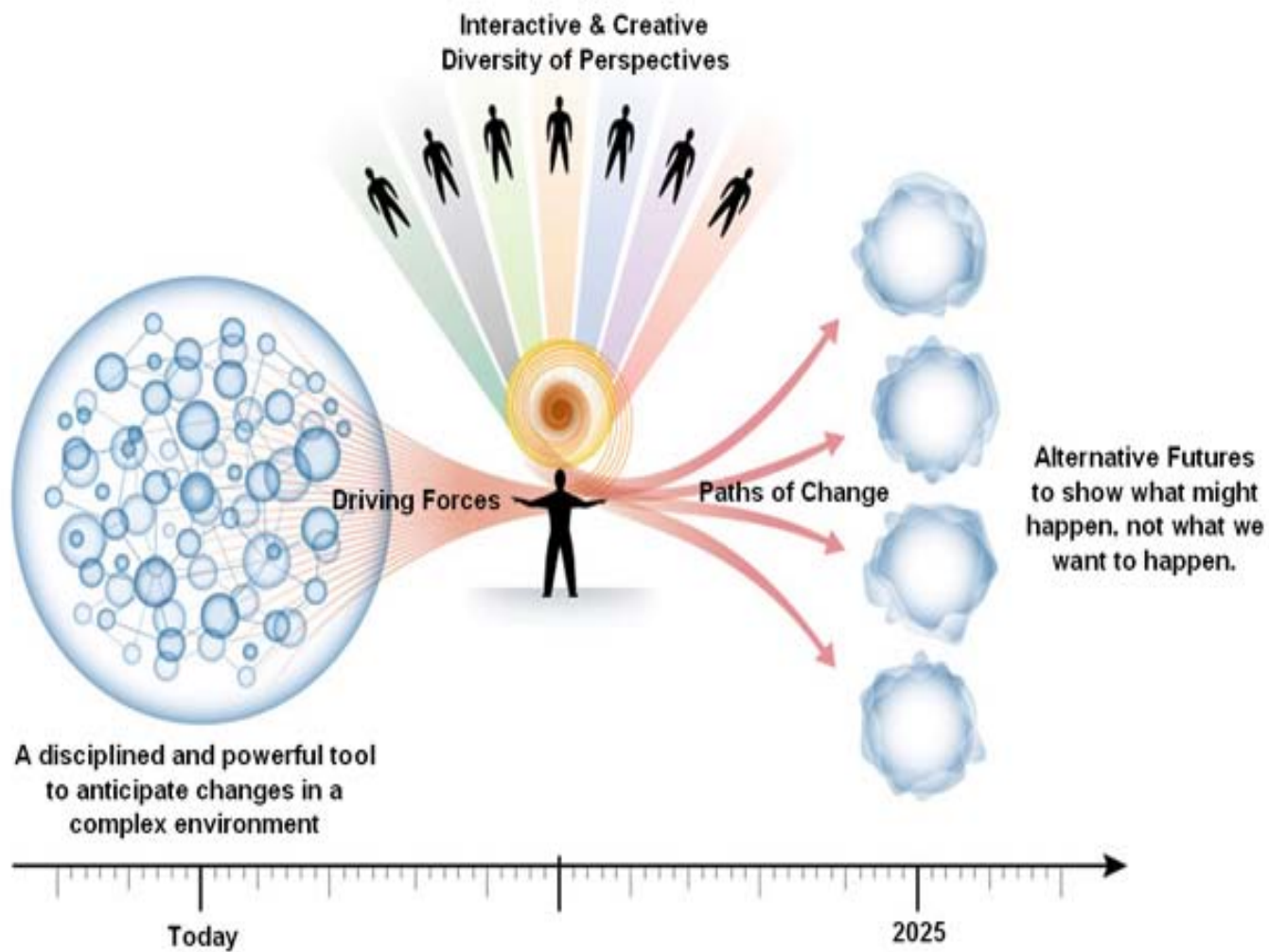
The Future as a Strategic Landscape

'The Star'—
Our enduring and guiding social role

'The Mountain'—
What we hope to achieve

'The Chessboard'—
Issues and challenges we are likely to face

'The Self'—
Our values and attributes as a strategic player

The 'self' journeys across the chessboard to the mountain, which lies in the medium term future

The purpose of the organization
- A "future-focused role image"
- Not completed or "used up"

The strategic objective:
- A compelling, relevant future
- BHAG—"Big Hairy Audacious Goal" • A concrete, specific goal
- A challenge, but achievable

The strategic environment:
- Strategic implementation and tactics
- Threats and opportunities
- Actions of other strategic actors
- Driving forces
- Mapped and understood using scenarios

Strategic identity:
- Current reality
- Self-knowledge
- Strengths and weaknesses
- Values
- Preferences and experience

"Star, mountain, chessboard, self" image © 1999

Synthesys Strategic Consulting Ltd
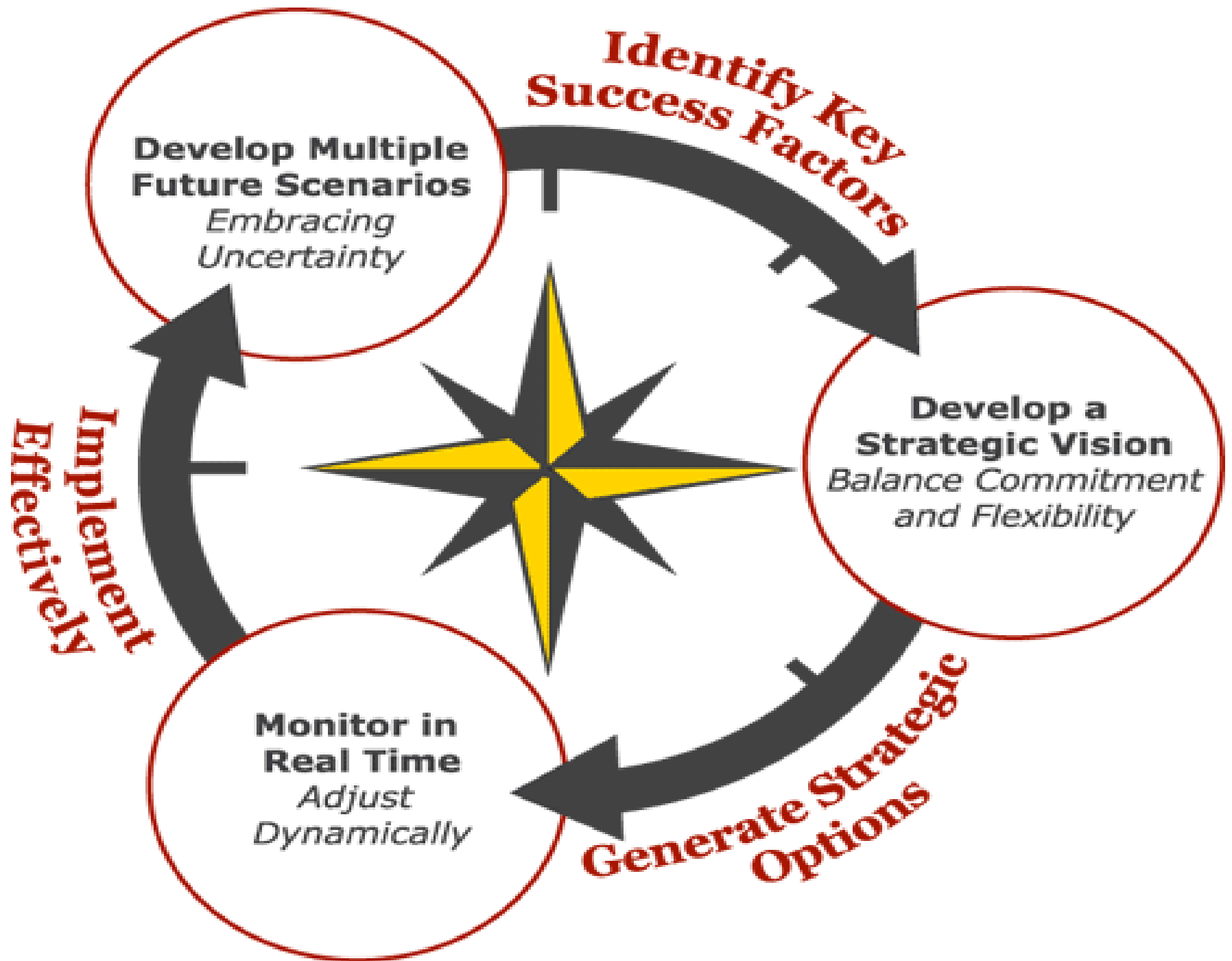
Criterion 1: Analysis & Strategy

Sub-criterion 1.3: Implementation of the reform

- Key element 1: *Coordination* and dialogue between the relevant bodies

- Key element 2: *Monitoring and reporting*

Approaches

Strategy Implementation

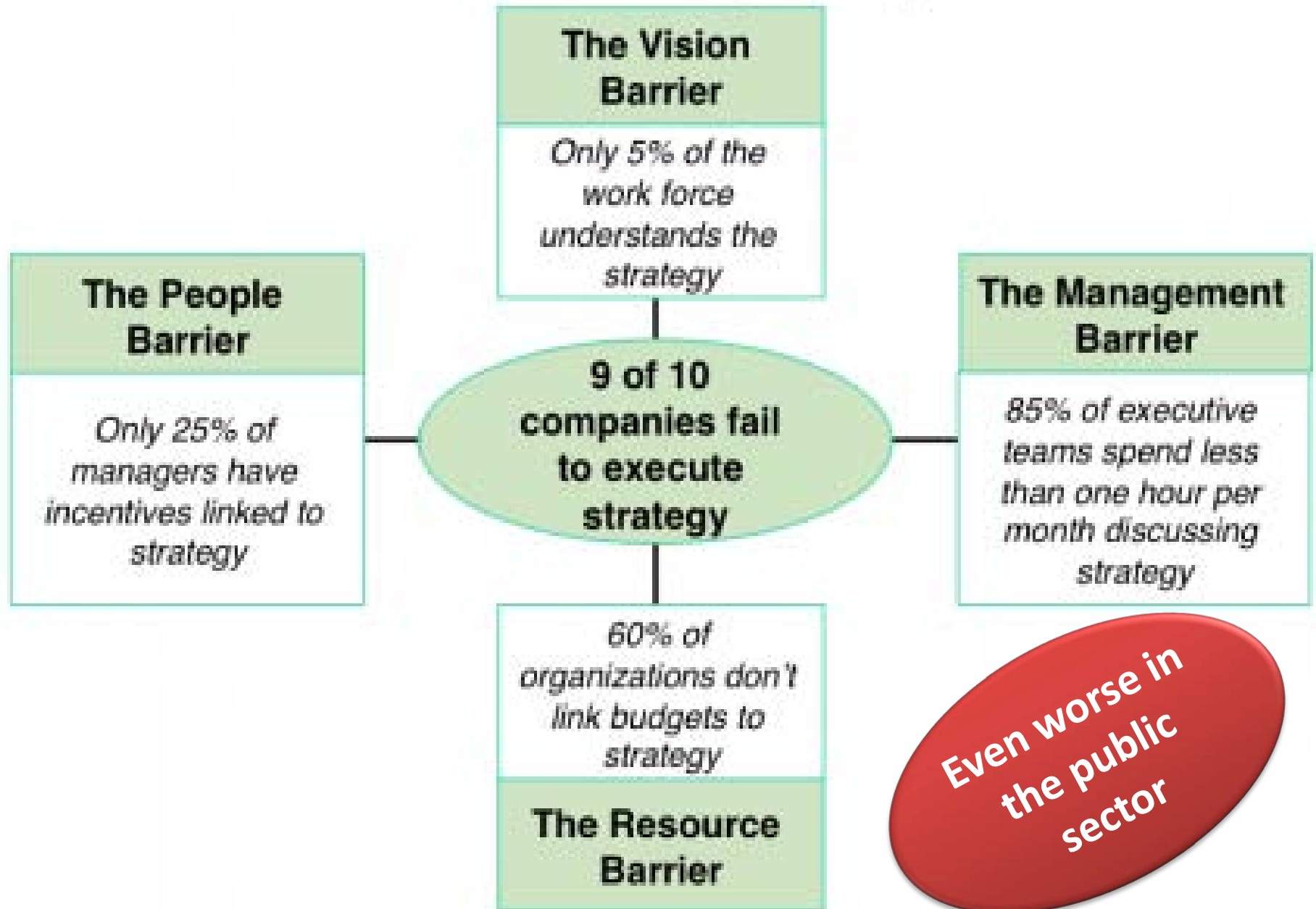## What is important to consider about Strategy Implementation?

DO IT!

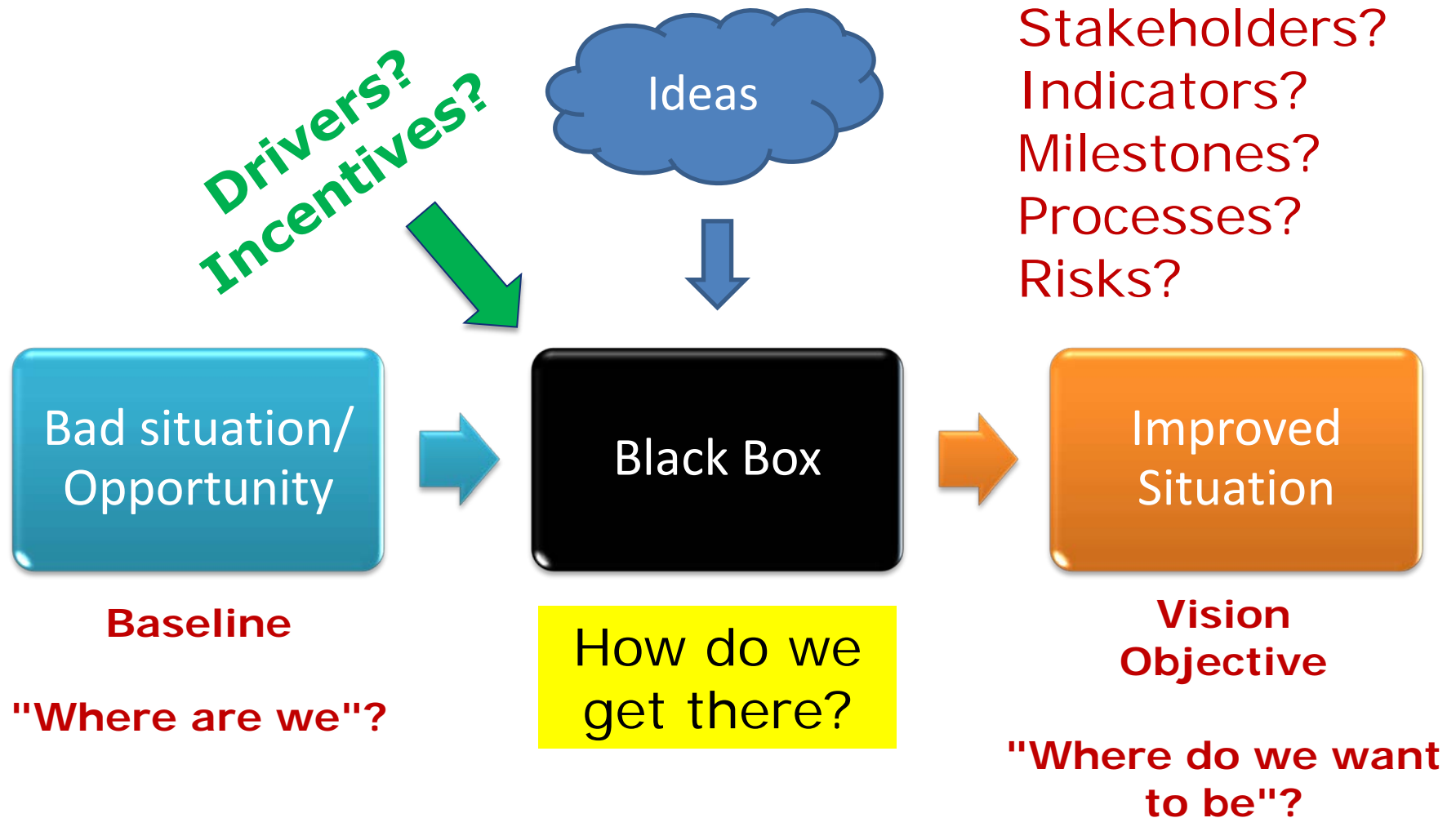# Why? Because most strategies don't get implemented at all

Four Barriers to Strategic Implementation

The Vision Barrier

Only 5% of the work force understands the strategy

The People Barrier

Only 25% of managers have incentives linked to strategy

9 of 10 companies fail to execute strategy

The Management Barrier

85% of executive teams spend less than one hour per month discussing strategy

60% of organizations don't link budgets to strategy

The Resource Barrier

Even worse in the public sector

Managing Change

Drivers? Incentives?

Ideas

Leadership?
Stakeholders?
Indicators?
Milestones?
Processes?
Risks?

Bad situation/ Opportunity

Black Box

Improved Situation

Baseline

"Where are we"?

How do we get there?

Vision Objective

"Where do we want to be"?

http://www.youtube.com/watch?v=gmoDpj1jtyA

Implementation prioritisation

	Potential impact	
	Low	**High**
Easy	**Other Quick Hits** Second level of priority	**Quick Hits** Actions with highest priority
Difficult	**List actions now –** review later to see if priority has changed	**Medium-term actions** Detailed planning may be required

Ease of implementation

What will you do first?

Criterion 2:

The development of
Quality Management Systems
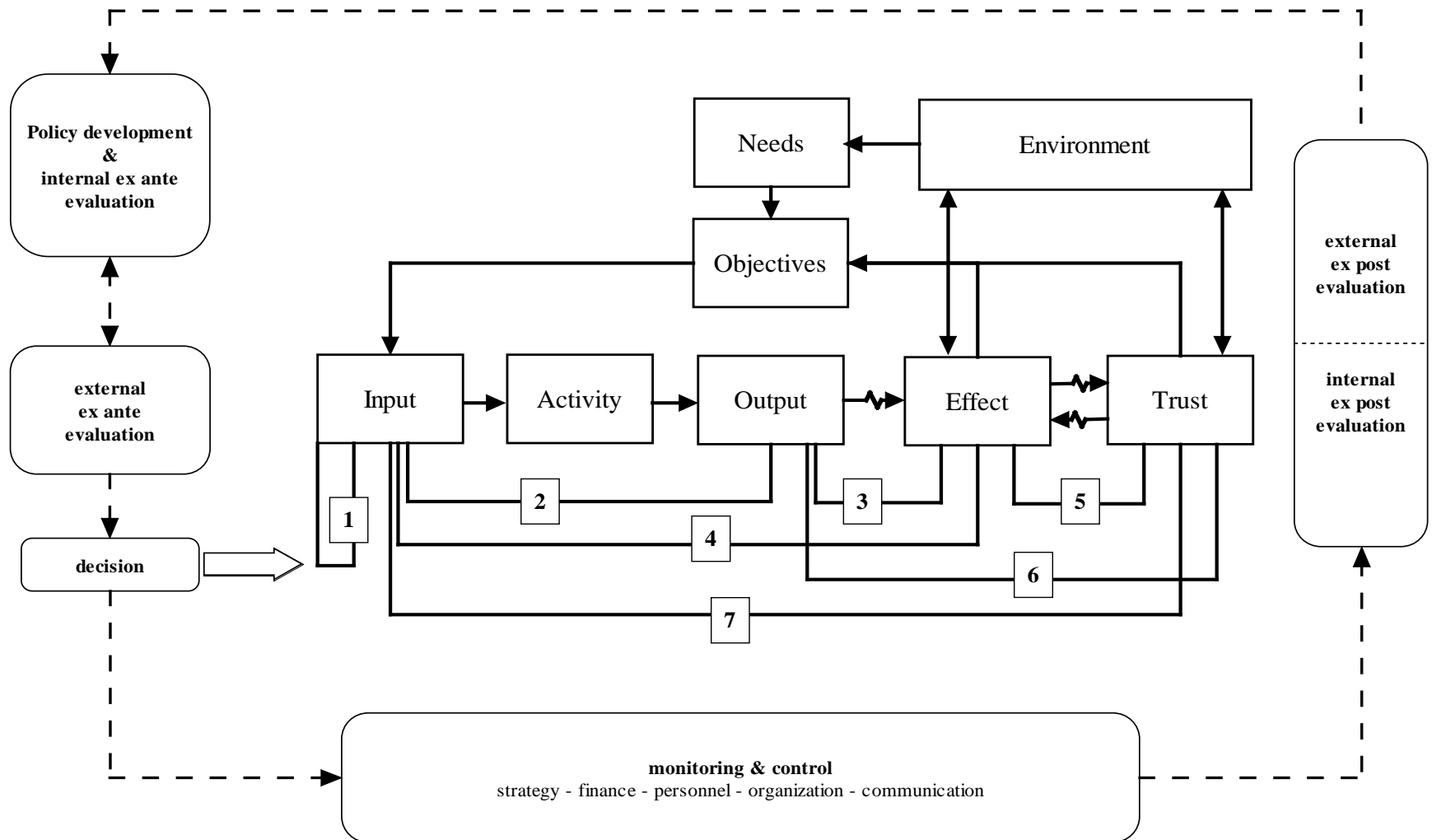
In reality... problems...

Dispersed and unclear responsibility and accountability;

Low or lack of stakeholders' "ownership" of indicators;

Lack of clarity and agreement regarding basic definitions;

Lack of coherence among indicator system components (i.e. objectives, policies, targets, activities and indicators);

Poor linkage with actions not co-financed by the ESF

Criterion 2 : QMS

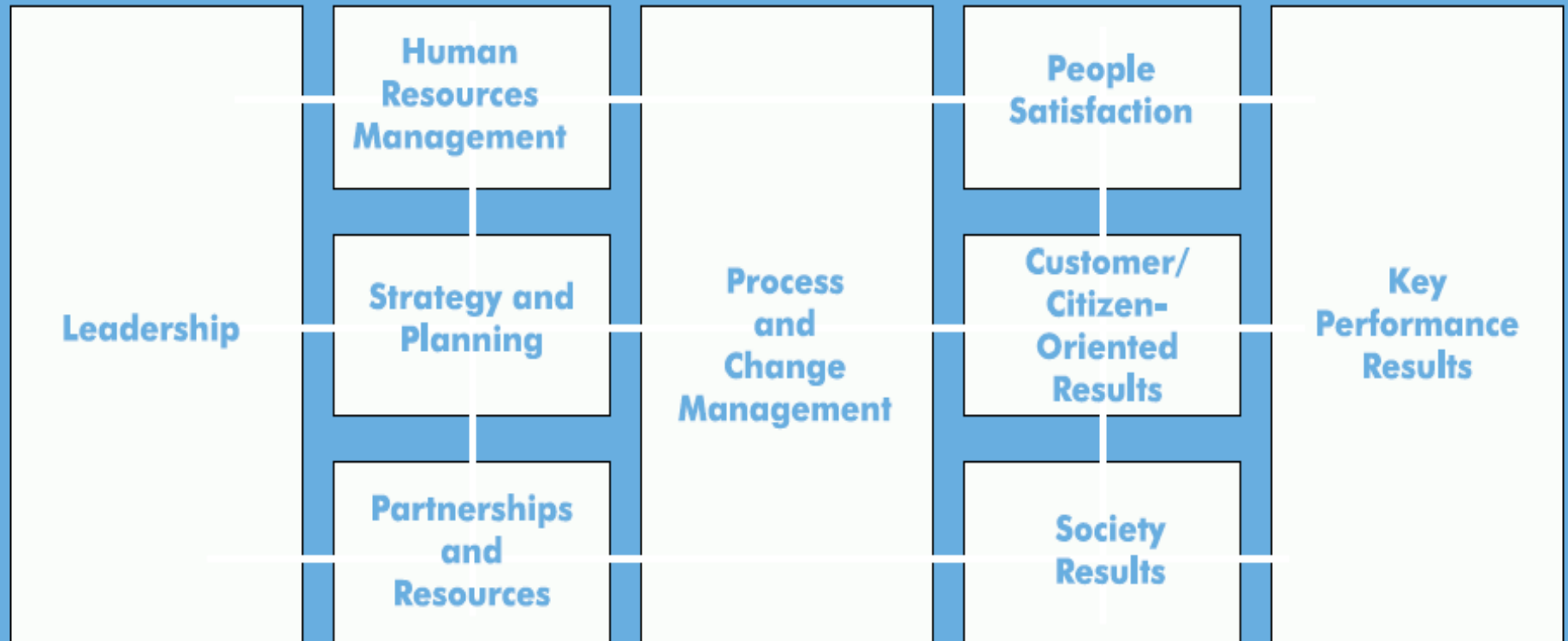## Sub-criterion 2.1: Set of actions referring to the establishment or use of already established QMS

- Key element 1: *Awareness raising* & triggering motivation for establishing and using QMS

- Key element 2: *Supporting & enabling* the establishment and use of QMS

- Key element 3: *Implementing QMS* and learning from it

- Key element 4: *Awarding and rewarding* in the context of establishment and use of QMS

Approaches

The CAF Model

The CAF Model

ENABLERS   RESULTS

Leadership

Human Resources Management

Strategy and Planning

Partnerships and Resources

Process and Change Management

People Satisfaction

Customer/Citizen-Oriented Results

Society Results

Key Performance Results

INNOVATION AND LEARNING

The list of subcriteria is as follows:

ENABLERS

Criterion 1. Leadership

Subcriterion 1.1.   Give a direction to the organisation: develop and communicate a clear vision, mission and

Subcriterion 1.2.   Develop and implement a system for managing the organisation

Subcriterion 1.3.   Motivate and support the people in the organisation and act as a role model

Subcriterion 1.4.   Manage the relations with politicians and other stakeholders

Criterion 2. Strategy and planning

Subcriterion 2.1.   Gather information relating to present and future needs of stakeholders

Subcriterion 2.2   Develop, review and update strategy and planning

Subcriterion 2.3   Implement strategy and planning in the whole organisation

Criterion 3. Human Resources Management

Subcriterion 3.1.   Plan, manage and improve human resources with regard to strategy and planning

Subcriterion 3.2.   Identify, develop and use competencies of the employees aligning individual, team and
organisational targets and goals

Subcriterion 3.3.   Involve employees by developing dialogue and empowerment

Criterion 4. Partnerships and Resources

Subcriterion 4.1.   Develops and implements key partnership relations

Subcriterion 4.2.   Develops and implements partnerships with the customer/citizen

Subcriterion 4.3.   Manages knowledge

Subcriterion 4.4.   Manages finances

Subcriterion 4.5.   Manages technology

Subcriterion 4.6.   Manages buildings and assets

Criterion 5. Process and Change Management

Subcriterion 5.1.   Identifies, designs, manages and improves processes

Subcriterion 5.2.   Develops and delivers services and products by involving the customer/citizen

Subcriterion 5.3.   Plans and manages modernisation and innovation

RESULTS

Criterion 6. Customer/Citizen-oriented Results

Subcriterion 6.1.   Results of customer/citizen satisfaction measurements
Subcriterion 6.2.   Indicators of customer/citizen-oriented measurements

Criterion 7. People Satisfaction

Subcriterion 7.1.   Results of people satisfaction and motivation measurements
Subcriterion 7.2.   Indicators of people results

Subcriterion 8. Society Results

Subcriterion 8.1.   Results of societal performance
Subcriterion 8.2.   Results of environmental performance

Criterion 9. Key Performance Results

Subcriterion 9.1.   Goal Achievement
Subcriterion 9.2.   Financial performance

Criterion 2: QMS

Sub-criterion 2.2: Assessment of stakeholder needs, including citizens, business and other interested parties (social partners, NGOs) and goals to improve their delivery through QMS (main gaps, main needs, main practice and models used)
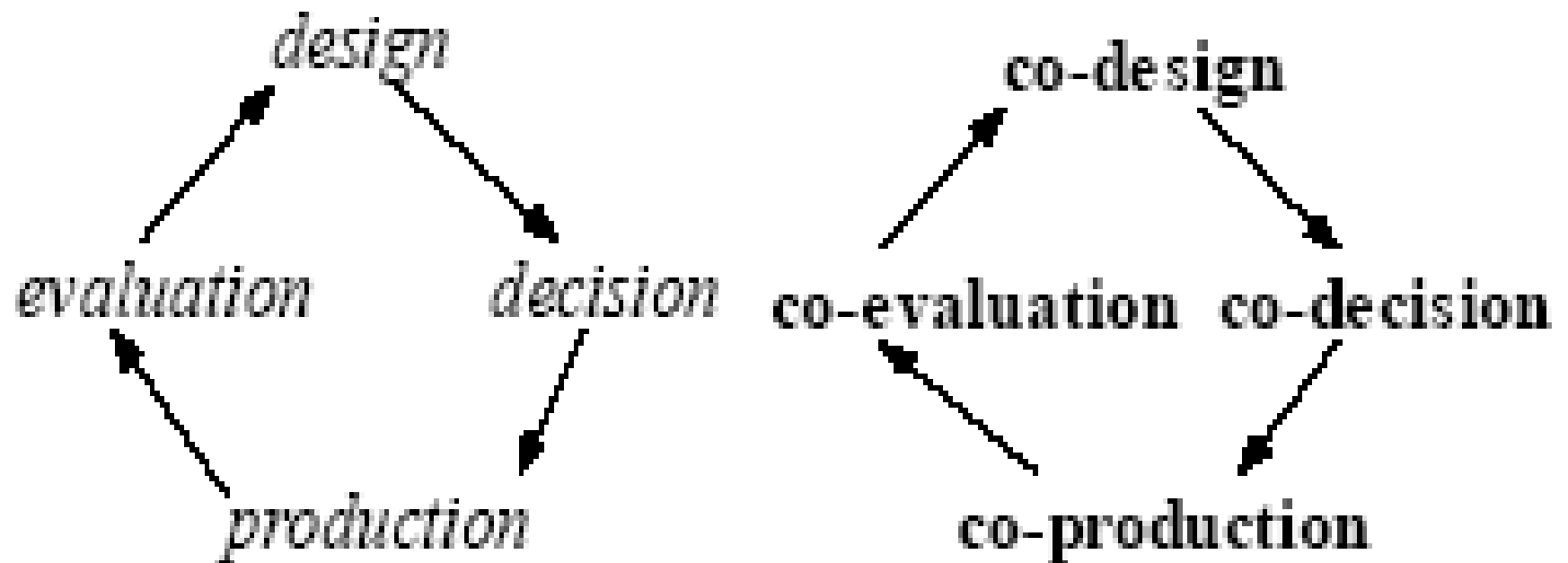
Key element 1: Strengthening *co-design*
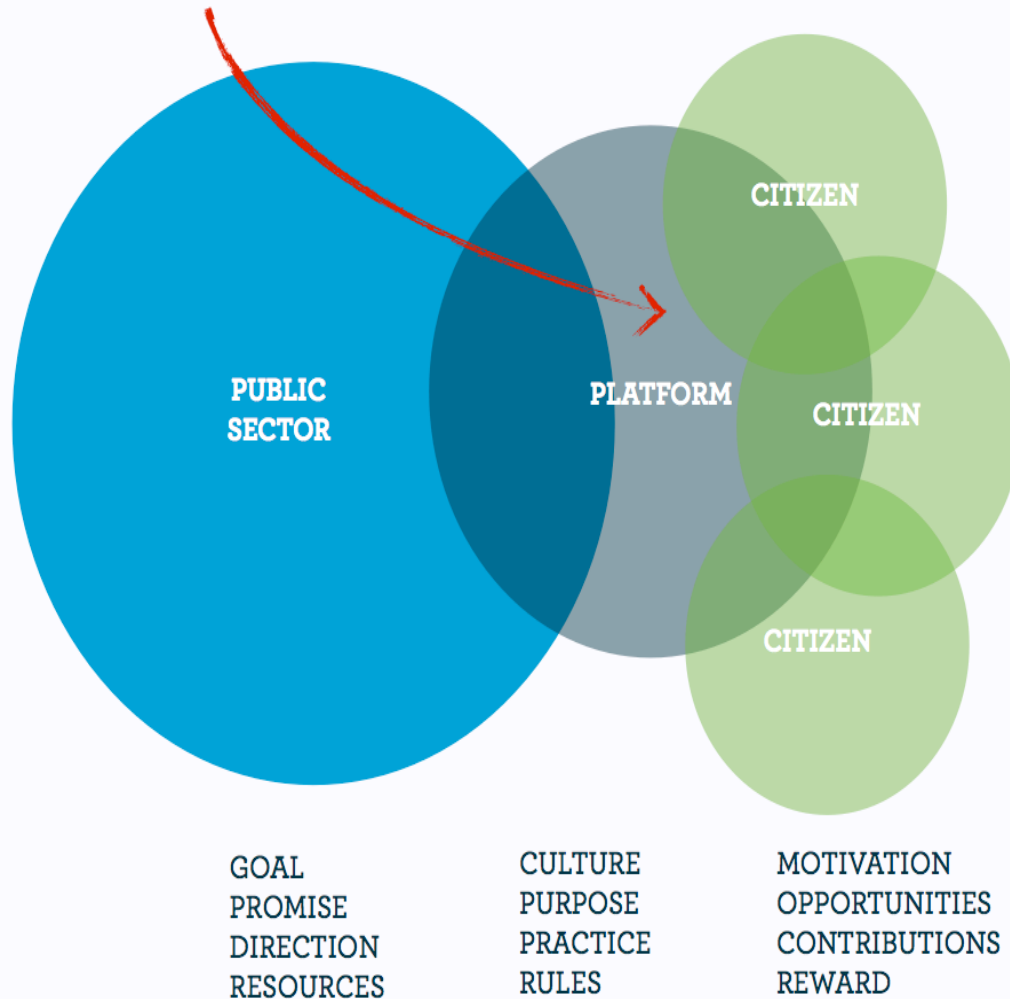
Key element 2: strengthening *co-decision*

Key element 3: Strengthening *co-production*

Key element 4: Strengthening *co-evaluation*

Approaches

CO-PRODUCTION

PUBLIC SECTOR

PLATFORM

CITIZEN

CITIZEN

CITIZEN

WHEN THE **VALUE** OF A **SERVICE** IS CREATED IN COOPERATION WITH OTHER USERS

GOAL
PROMISE
DIRECTION
RESOURCES

CULTURE
PURPOSE
PRACTICE
RULES

MOTIVATION
OPPORTUNITIES
CONTRIBUTIONS
REWARD

Partnership is not easy...

How to achieve that "Partnership" is not perceived as a threat by politicians (enhanced transparency)?

How to reach "weakest communities"?

How to build stakeholder capacity?

How to deal with opposition?

Criterion 3:

Integrated actions for simplification and rationalisation of administrative processes

Criterion 3: Integrated actions for simplification and rationalisation of administrative processes

Sub criterion 3.1.: Main needs and goals in terms of simplification and rationalisation of administrative procedures have been identified

- Key element 1: Assessment of *regulations*

- Key element 2: There is a procedure to *assess* the *administrative burden*, integrated in the national policy making

- Key element 3: *Consultation and involvement* of stakeholders

Approaches

Criterion 3: Integrated actions for simplification and rationalisation of administrative processes

Sub criterion 3.2.:*There are integrated actions for simplification and rationalisation of administrative procedures, including e-governance solutions.*

- Key element 1: Development of an ***integrated / strategic approach***

- Key element 2: Implementation of actions for simplification and administrative burden reduction target ***to business***

- Key element 3: Implementation of actions for simplification and administrative burden reduction ***targeted to citizens***

Approaches

Criterion 3: Integrated actions for simplification and rationalisation of administrative processes

Sub criterion 3.3. There is a regular review of the administrative burden and as a result a plan (list of laws which impose administrative burdens on citizens and businesses) including respective actions

Key element 1: *Monitoring and reporting*

Approaches

Criterion 4:

Development and implementation of human resources strategies and policies covering identified main gaps in the field

Criterion 4: HR

Sub criterion 4.1. Identification of major needs/gaps and goals (targets and milestones) for developing and implementing HRM in the civil service

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- Key element 1: the establishment of a *professional HR function*

- Key element 2: the setting-up of a professional management of staff's *performance and development*

- Key element 3: the strengthening of the *strategic HR dimension*

Approaches

Criterion 4: HR

Sub criterion 4.2. Identification of mechanisms for developing and implementing human resources strategies and policies

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- Key element 1: The building-up of *central management capacities*

- Key element 2: Enhancement of *managerial and leadership capacities*

Approaches

Traditional

- ➤ **Standardised HRM approach**
- ➤ **Focus on compliance with rules/procedures (input oriented)**
- ➤ **Control by rules (direct)**
- ➤ **Style: paternalistic, hierarchical**
- ➤ **Promotion** based on seniority, grade, position
- ➤ **Prevalence of status based career management**
- ➤ **Transactional leadership**

- ➤ **HR function:** *administrative*
- ➤ **Generalists in HR**

Modern

- ➤ **Individualistic, competency-based HRM approach**
- ➤ **Focus on outputs/results**
- ➤ **Control by objectives (indirect)**
- ➤ **Style: rational, responsibilisation of staff**
- ➤ **Promotion** based on target achievement, performance, professional development and potential
- ➤ **Prevalence of competency-based career management**
- ➤ **Transformational leadership**
- ➤ **HR function:** *expert/strategic*
- ➤ **Professionals in HR**

Criterion 5:

The development of skills at all levels

Criterion 5: Skills

Sub criterion 5.1. Needs and goals in terms of training of civil servants in view of planned improvements/reforms have been identified

- Key element 1: Mechanisms for *training needs analysis*

- Key element 2: Evaluation of *training needs analysis*

Approaches

After 2 weeks, we tend to remember ...

I see and I forget.
I hear and I remember.
I do and I understand.
— Confucius

Reading

Hearing Words

Seeing

Watching a Movie
Looking at an Exhibit
Watching a Demonstration
Seeing It Done on Location

Participating in a Discussion
Giving a Talk

Doing a Dramatic Presentation
Simulating the Real Experience
Doing the Real Thing

- 10% of what we READ
- 20% of what we HEAR
- 30% of what we SEE
- 50% of what we SEE & HEAR
- 70% of what we SAY
- 90% of what we SAY & DO

Passive

Active

Source: Edgar Dale (1969)

Criterion 5: Skills

Sub criterion 5.2. There is a plan for developing skills at all levels

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- Key element 1: Setting-up of a *training strategy* at all levels
- Key element 2: Development of a *training plan* at all levels

Approaches

European Commission

FOUR ELEMENTS OF ORGANIZATIONAL LEARNING

Leaders are committed to organizational learning:

- Clear vision and goals for organizational learning
- Champions and role models

SUPPORTIVE LEADERS

CULTURE OF CONTINUOUS IMPROVEMENTS

Culture values organizational learning:

- Aligned beliefs and values
- Reinforcing incentives
- Commitment to measurement of results

Organizational learning processes are embedded into daily workflows:

- Defined processes to set learning agenda and capture, distill, apply, and share knowledge
- Technology platforms

INTUITIVE KNOWLEDGE PROCESSES

DEFINED LEARNING STRUCTURE

Organizational structure is aligned to support organizational learning:

- Defined roles and responsibilities for capturing, distilling, applying, and sharing knowledge
- Networks and coordination

Criterion 5: Skills

Sub criterion 5.2. The appropriate organisation is in place in order to allow implementation of the plan (including availability of resources, training institutions, necessary procedures)

- Key element 1: Development of an effective *training management structure*

- Key element 2: Building-up of *strong capacities* in the fields of HR and training

Approaches
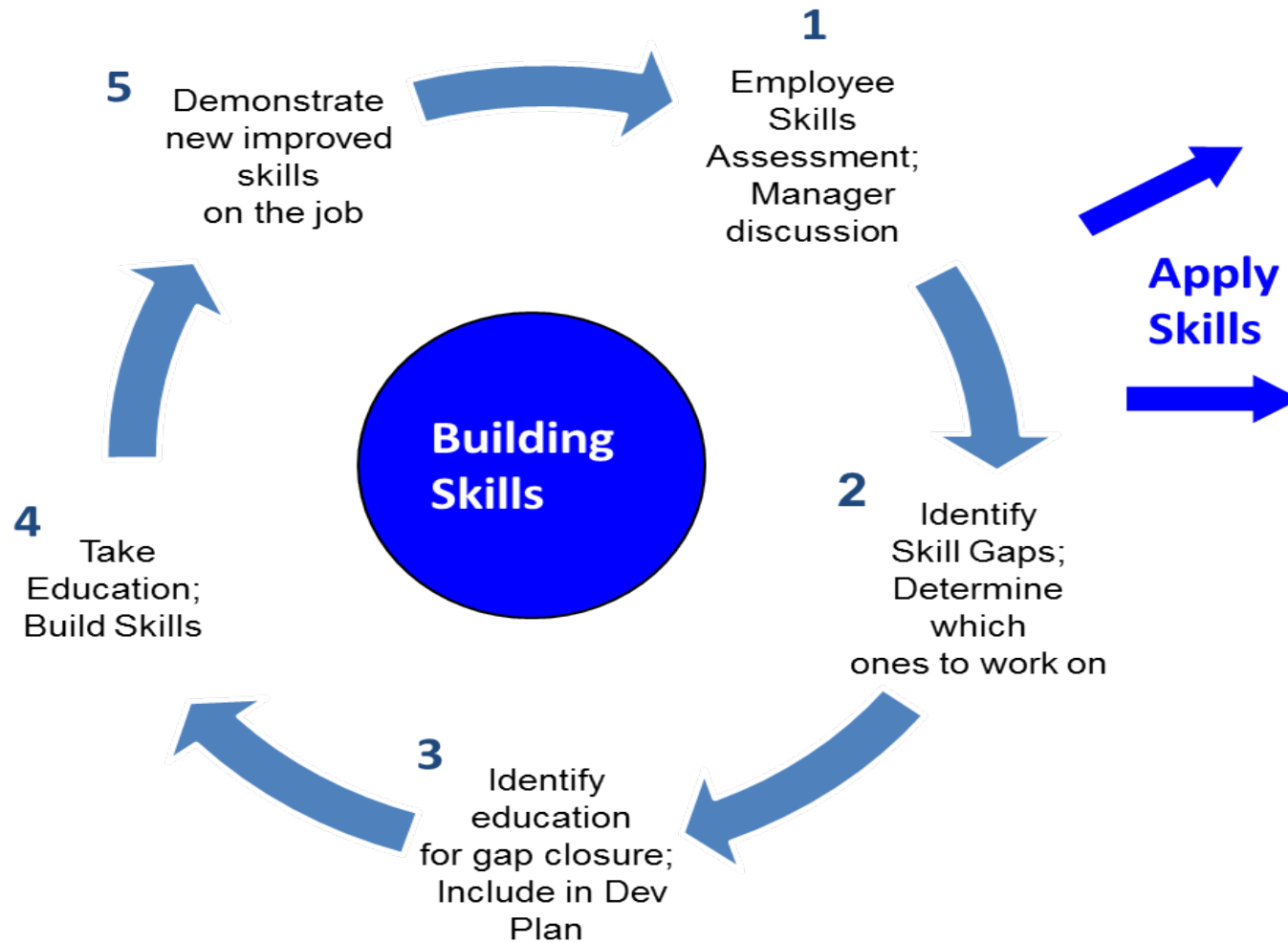
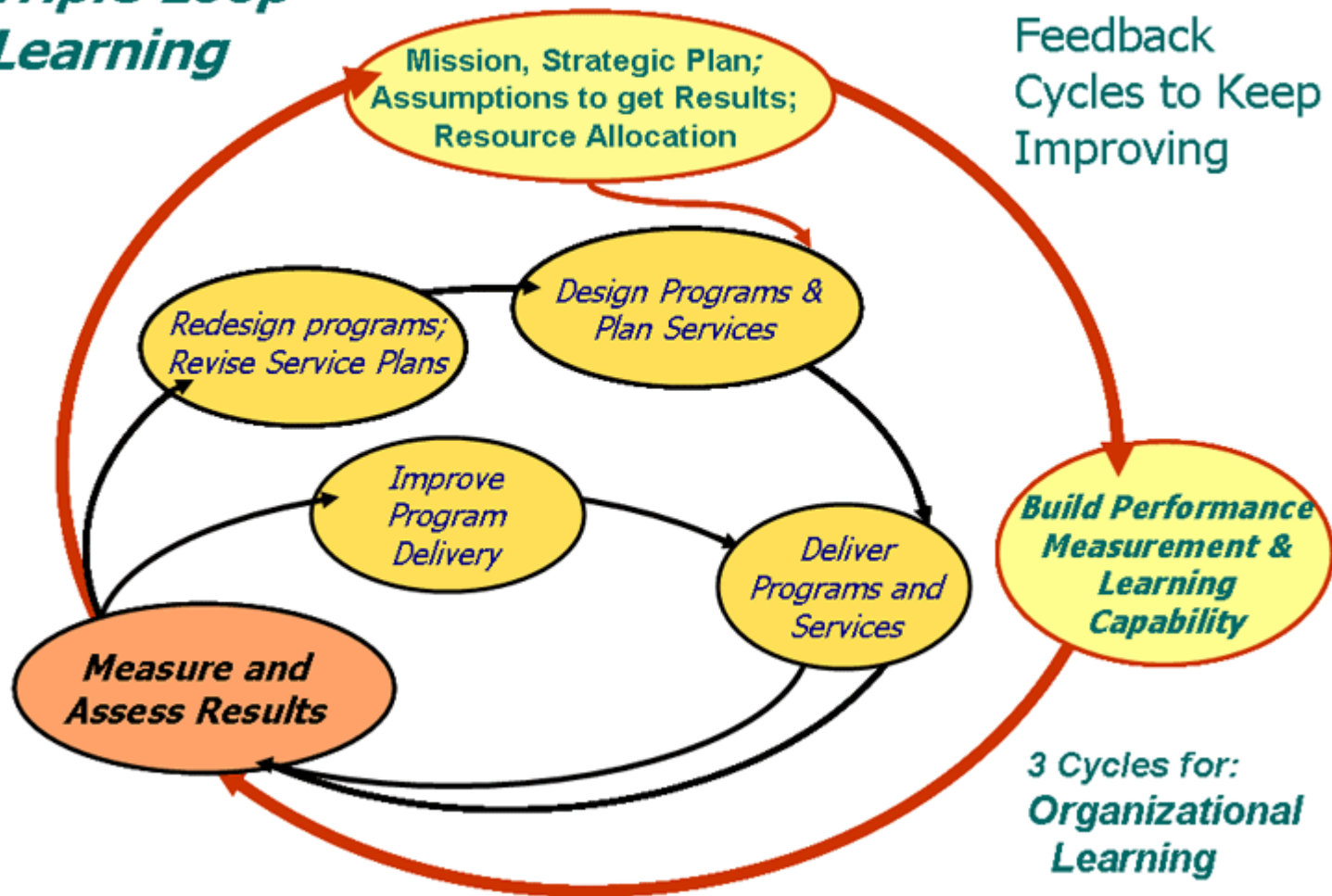# Criterion 6:

Development of procedures and tools for monitoring and evaluation

Criterion 6: monitoring and evaluation

Sub criterion 6.1. Needs and goals for establishing/developing monitoring and evaluation have been identified

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- Key element 1: Definition of the *goals and the use* of the monitoring and evaluation system

- Key element 2: Analysis of the *current state of affaires*

Approaches

Criterion 6: monitoring and evaluation

Sub criterion 6.2. There are procedures and tools for monitoring and evaluation

- Key element 1: *Collecting data*
- Key element 2: *Using data*

Approaches

What is **MONITORING?**

- A continuous function
- Collecting data

What is **Evaluation?**

… a reflection (quality criteria)

- Relevant?
- Efficient?
- Effective?
- Sustainable?
- Impact?

Do you have the DATA?
How do you get it?
How much does it cost?

Make it transparent and involve stakeholders (monitoring committee)

Criterion 6: monitoring and evaluation

Sub criterion 6.3 Availability of indicators

- Key element 1: Mix of *indicators*

Approaches

Indicators can be:

Quantitative (e.g. % change)

or

Qualitative (e.g. System in place y/n)

Or rating, e.g.:

- ➤ **Attention required**
- ➤ **Opportunity for Improvement**
- ➤ **Acceptable**
- ➤ **Strong**

Indicators should be "SMART"

T-imely
R-realistic
A-chievable
M-easurable
S-pecific

What is a **Result?**

What is an **Output?**

Indicator	
Input	Total officer time (including legal and administrative support) expressed as cost
Output	Number of renovation grants approved compared with number of enquiries
	Number of renovation grants completed compared with number approved
	Value of renovation grants approved/paid compared with total Housing Investment Programme Limit
	Number of Housing Act Notices served
	Number of Housing Act Notices successfully enforced compared with number served
Outcome	Number of properties made fit for human habitation
	Number of properties made fit for disabled occupiers
	Number of elderly residents assisted to stay in their homes
	Number of properties provided with thermal insulation
	Increase in quality of life of residents (index to be developed)

Capacity?