

# **The key role of People in Public Administration: How Civil Service Models affect the quality of a nation**

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## 1. Introduction

The Public Administrations can be defined as the engines that drive and protect all the interests relevant to a community. The importance and the main role of them can be also seen in the relationship between the quality of public administrations and the social, cultural and economic development of a country. Indeed, a high effectiveness, efficiency and quality of public institutions involve greater development of a country's social capital and all of its characteristics. Talking about public Institutions we can distinguish between territorial and specialized, according to the purpose they pursue. The action of the institutions can be described by three models that affect the whole quality of their activities. These three models are: political model, legal model and economic-business model. The first one shows us that the actions of the public institutions are mainly affected by the consensus of people, so they must listen to and take into account the voice of the voters. The legal model, instead, points out the obligation to respect and to be within specific and rigid rules, standards and laws. Finally, the last model indicates the need, for each institution, to comply with the economic and financial logics, similar to the private companies. Obviously, it's not possible to simultaneously pursue all the three models because they sometimes struggle with each other. For this reason, it's needed to find a balance point.

The main functions performed by public administrations are: "regulation of economic activity, authorization and control over its performance, construction of infrastructure, provision of public services"<sup>1</sup>. It's easy to understand that a low quality of these activities can strongly affect negatively all the economic structure of a country and all the private companies too.

Another aspect to highlight is the complexity of the public sector. We can compare Apple (a private company) and ONU (a public organization). We can immediately notice the complexity and the breadth of the goals is much larger for ONU respect of

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<sup>1</sup> Incentivi e selezione nel pubblico impiego (2016), Cristina Giorgiantonio, Tommaso Orlando, Giuliana Palumbo e Lucia Rizzica

Apple. Likewise, the function carried on by Apple is only to produce goods, instead ONU has to pursue a lot of objectives like to protect the rights of the entire world population, to produce goods, to protect the environment and the territory, to ensure peace in the world and so on. This represents a critical point: public institutions chase a large number of missions unlike the private companies, but they also have far fewer resources than the last mentioned. In our example, we can show that ONU's budget is about €50 billions but Apple's revenues are about \$125 billions.

After briefly explaining the main characteristics and criticalities of public administrations, it can be pointed out that they need the best talents and the best managers to carry out their work to the best of their ability and ensure growth from every point of view for a country.

In human resources management, all public administrations have to choose between two Civil Service models: a career-based system or a position-based one.

This decision affects all personnel management tools: selection, recruitment, remuneration, career development and evaluation system.

In this paper, we will describe how the choice of one model or another influences the effectiveness of public institutions. At the same time, an attempt will be made to identify which model is best suited to the current challenges posed by sudden changes in the external environment. In addition, reference will be made to practical cases realized through direct interviews with public managers involved in both models. Finally, we will identify emerging trends related to future changes in the two models and some proposals for improving human resource management mechanisms within public administration systems.

## **2. Career-based model vs Position-based model**

The choice between Career-based model and the Position-based one is the most critical since it concerns all processes in which the human factor is involved, in other words, it concerns the quality of public administration itself.

The career-based model is based on "lifetime employment" - in fact, you usually join at the beginning of your career and stay for the rest of your professional life. For this reason, it is also referred to as a "closed system". These kinds of systems are characterized by selection and recruitment processes highly formalized which aim to acquire people who are willing to spend their entire career in the public sector. The main method to access is the "public competition" and the general capabilities are more valued than the specialized ones. This system is very widespread in the administrative systems of Napoleonic origin, it is in fact present in Italy, France, Spain and so on.

The position-based model, instead, is considered an "open system", given by its flexibility in the methods of access to public employment. In fact, it ensures a higher mobility between positions around the public organizations but, especially, between public and private sector. Here, the access to public employment mainly depends on the positions that become vacant over time. This model uses techniques more similar to those used by private companies which continuously are in relation with public institutions. Lastly, the position-based model is spread among the United Kingdom, United States, Canada, Belgium, Finland and other countries.

However, in the past we could easily notice the differences between these two models, nowadays administrations are pushing to more hybrid forms of public employment that we will discuss further in the analysis.

## **2.1 HR Management tools**

It's possible to describe the public administration's models through an analysis regarding some processes: recruitment, selection, remuneration, career development and staff evaluation.

### **2.1.a Recruitment**

The recruitment is the first step when we analyze the whole process of acquiring new talents in an organization. Countries organize recruitment according to the kind of civil

service model used. Indeed, countries with a career-based system are used to recruit people at the bottom of the hierarchy that will develop their whole careers in public institutions. Thus, hiring methods are more general because hiring is oriented to a whole career and not to a specific job. Position-based countries tend to use more specific processes of recruiting because they hire people for specific position at any time in their careers. When companies, and generally organizations, recognize the need for new capabilities, new skills, new people or the desire to improve the human capital already held, the recruitment activities can start. All these activities follow 3 pillars: impartiality, efficiency and effectiveness. This is given by the fact that public institutions use public resources, therefore they must act as transparently as possible. By definition, "Recruitment is the set of activities and processes that, within the bounds of legality, result in a sufficiently large pool of qualified individuals at the appropriate time and place for individuals and the organization to select each other with their short- and long-term interests in mind"<sup>2</sup>.

The first stage of recruitment is the "*Employer branding*", thus "the process of building an identifiable and unique employer identity"<sup>3</sup>. Through this activity, organizations are able to share their information to the job market and allow people to be aware of them. To accomplish it, organizations share and highlight their distinctive characteristics and strengths, trying to attract potential candidates. Employer branding is divided into internal branding and external branding.

Internal branding is represented by the precision with which the psychological relationship between the new employee and the organization is satisfied. High levels of internal branding justify a high degree of retention within the organization.

External branding, on the other hand, is the attractiveness of your organization to the job market. The higher the level of the external branding, the easier it will be to attract the best talents. The attractiveness of an organization mostly depends on: interest in

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<sup>2</sup> Liou, 2001

<sup>3</sup> Backhaus and Tikoo, 2004

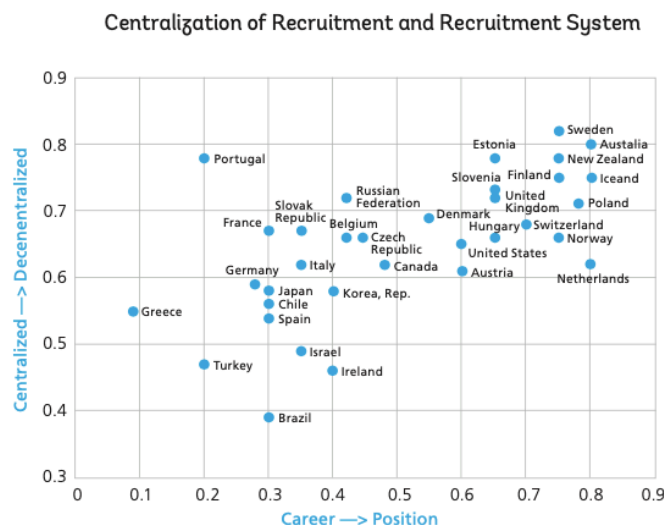
the organization, social aspects, economic aspects, applicability of own work and personnel development.

To reach a great result in recruitment it's important to:

- *Refine access criteria*: addressing efforts on communication, information and sharing to the target and using pre-selection tools like online tests.
- *Look for interesting profiles with active strategies*: like on campus recruiting, Fast stream policies and headhunters.

There are three recruitment procedures: centralized (the HR unit manages recruitment for the entire organization), coordinated (intermediate level of delegation), decentralized (each organizational unit is autonomous in recruiting the staff it needs). Overall, there is evidence<sup>4</sup> that assess the correlation between decentralization and position-based systems, and between centralization and career-based systems.

Graph n.1



Source: *Civil service recruitment: recruiting the right persons the right way* (2019), Wouter van Acker, Governance Global Practice

The recruitment pool is defined as internal when the gaps identified within the company are filled by people already present in the organization. It is defined as external when the organization fills the identified gap by acquiring human resources from outside the organization. Recruitment strategies can be: e-recruitment (a particular case of an

<sup>4</sup> Civil service recruitment: recruiting the right persons the right way (2019), Wouter van Acker, Governance Global Practice

active online strategy), active (when the employer actively moves into the labor market), medium and passive (when the institution waits to receive applications). A typical example of passive strategy is the “public call” widely used in career-based systems. In fact, in Italy it is very used to publish the public competition announcement on the “Gazzetta Ufficiale” and wait for applications. It is even advertised but only on internal communications newsletters and therefore it has a low probability to attract the best talents in the market. An example of intermediate strategy can be seen in London (position-based system) where news about the vacancy is clearly posted on the institutional website and further publicized in the media. It also indicates all the characteristics of the vacant position, from the place of work and salary to the skills required. Active strategies are even very common in position-based systems. For example, it’s very used to adopt Fast stream programs to attract young talent, ensuring them great career development and the possibility to acquire new skills whether being part of the organization. Finally, the most famous kind of e-recruitment is “UsaJob” (in the United States obviously from the name). It is an online platform that points out the importance of working for the country and gives you the opportunity to search for all the vacant positions. As we can see, the most part of the innovative processes involved in the recruitment stage is more present in position-based systems.

### **2.1.b Selection**

An organization often defines its goals and defines what it needs to achieve them. Once it has mapped out the skills and capabilities required by the goals, it identifies the resources already present within the organization. If this mapping reveals a gap, larger or smaller, in skills and, more generally, in human capital, new personnel are recruited and selected. The selection is the process that follows recruitment. In fact, it consists in selecting ideal profiles among all candidates gathered during the recruitment stage. Depending on the civil service model adopted by a State, different methods are used to select the right candidate. The most common tool is certainly the

public competition (for examinations, for titles, and so on...), but sometimes procedures can also be used at the discretion of the announcing body.

The selection system varies according to the civil service model employed. In a career-based model, the main features of a selection system are: the use of a public competition, entry into the civil service at the beginning of career and high internal mobility but low external mobility. The presence of a public competition as a standard tool involves a selection based on only people interested in the public sector, high costs and long implementation time because it is tied to a dense bureaucracy.

With a position-based model, the selection is really focused on the best candidate for the vacant position and the entrance in the public sector can be even in the middle of a career. At the same time, it is very used to switch easily between public and private companies, thanks to the large use of fixed-term contracts. This can be an advantage but it's also important to consider the less presence of public service motivation among employees in this kind of model.

Hiring a manager is a process slightly different from what is explained before. We can distinguish between two methods of hiring: merit system and spoil system. The first one involves a process based on the selection of a manager based on his skills and capabilities. This system is used both in career-based and position-based models. The spoil system introduces the possibility of hiring a manager by political appointment. Consequently, this practice can only be used in position-based regimes since political cycles are time-limited. If one were to apply this method in a career-based system a politician after appointing a permanent administrator would end the cycle but the administrator would continue to work in that position. In fact, in recent years even in career-based systems, "atypical contracts" have been introduced that allow the hiring of managers tied to the mandate of the appointing politician.

Another choice that depends on the model implemented is the centralization or decentralization of the selection processes (for example: public competitions). In most cases, in a career-based system the public competitions are centralized for the central



institutions whereas they are decentralized for territorial and local ones. Public institutions in a position-based system instead follow decentralized processes.

### **2.1.c Remuneration**

The remuneration is one of the most important features in an employment relationship. This is true both for the private and public sector. In the public sector it should have less relevance, a worker chooses this field because he or she is more motivated by the possibility of working for the community and less by the monetary rewards that come from the job itself. This concept is not always true. In fact, studies reveal that in a career-based system the employee's choice to work in the public sector depends mostly on his/her Public Service Motivation, thus the willingness to work and serve for his/her community. At the same time, in a position-based model, this kind of motivation is less relevant, and the choice between a public and private company depends more on the levels of pay offered. However, in both systems, the remuneration is divided into fixed and variable (performance-based variable and incentives). The fixed salary is determined for each position in the organization and it depends on the company's country and the company itself. The variable salary, instead, depends on the evaluation and the assessment of the employee. Thus, this part of the salary is directly linked with the evaluation system used. Once this is understood, it should be pointed out that evaluations and rewards in most international public systems are characterized by forced distributions. Examples are shown below:

- *Italy*: there are three merit bands. Employees must be classified 25% in the highest band, 50% in the middle band, and the remaining 25% in the lowest one;
- *Germany*: the bonus is distributed to a maximum of 15% of employees;
- *Canada*: in the range "fully satisfactory" there can be a maximum of 20% of employees, but at least 5% of the personnel must be in the band "unsatisfactory".

The forced distribution has advantages and disadvantages. The main strengths are two. Firstly, this system forces the evaluator to differentiate employees based on their performance. In this way they are stimulated to reach better performance in order to be placed in higher evaluation and reward brackets. Secondly, it also results in a reduction in personnel spending, because not all employees can achieve the best reward. The weaknesses are represented by some risks like the loss of motivation for a big part of the employees, stiffening in assessments and the hyper-competition. Finally, another limit of the forced distribution is given by the fact that it works only with big numbers (many employees) in the organization.

### **2.1.d Career development**

The career systems are a bit different between the two Public Service Models. As a starting point, in a career-based system, people enter in the public administration at the beginning of their career and they remain in the public sector for life, thanks to permanent contracts. However, a public employee doesn't remain in the same job position for all her/his career but she/he can move from a lower level to a higher one and sometimes from a public institution to another one. The choice to upgrade the level position or to move to another organization depends on salary increase and the development of new skills in new work contexts.

In a position-based system, career development varies a bit because there are more people switching between private and public sector (high mobility). In fact, in this case there are less permanent contracts and more fixed-term ones. For this reason, the development of the career of a person depends both on the jobs obtained both in the private and in the public sector. In this context, the most important variables to consider affecting the person's decision about where to work are the salary (as well) and the possibility to be paid more in the future. The possibility to obtain higher salary in the future means the knowledge that you can have greater career developments (in terms of responsibility and salary) if you change companies and/or even sectors.

### **2.1.e Evaluation system**

The evaluation system is the fundamental process for an employee's personal and professional growth. Giving an evaluation to the employees' performance is also necessary to explain the reason behind incentives, rewards and promotions. There are not huge differences in the evaluation system between the career-based and the position-based models. However, there are two purposes when evaluating employees: a formative or development model and a summative or administrative model. Using the first one an organization links the employee's evaluation to his/her own development in terms of education, formation and experiences. When an organization prefer the summative (or administrative) model, it links the evaluation to organizational consequences like career promotions, rewards and incentives. There are different evaluation methods, the most used are: traditional hierarchical evaluation, self-evaluation, "Portfolio" evaluation (very formative-oriented since it is implemented by gathering information on the employee's performance from all people who have been in touch with him), peer review and 360° evaluation.

It's even possible to classify the evaluation system according to the level of assessment: evaluation of the entire organization, organizational unit and individual.

Finally, the evaluation depends on what the evaluator wants to assess. In fact, the performance goals, and their performance evaluation, can be defined on target, rankings (very used in the health sector) and trends (comparing performance through the years). In the same way, an evaluator can decide to evaluate the impact of an activity (the effectiveness of the outcome) or the standard of it, thinking more about the basic output.

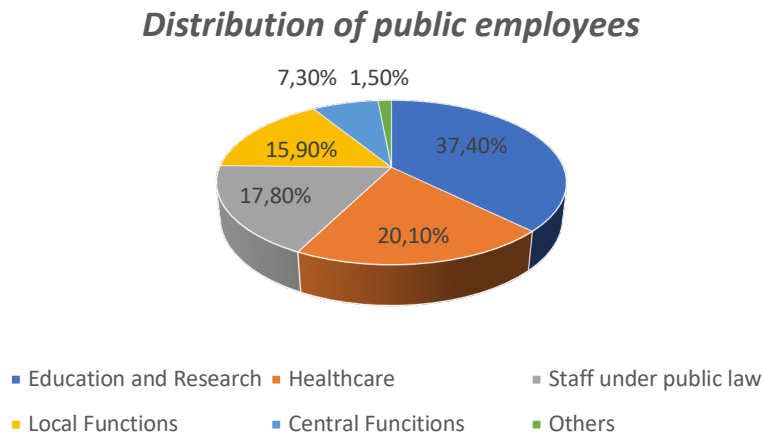
### **2.2 Career-based systems**

The two cases taken under analysis of career-based systems are that of Italy and France.

## 2.2.a The Italian case

The Italian public administration has been affected by many reforms over the years but it has retained its orientation toward a career-based system. In Italy, the Civil Service consists of 3.3 million permanent workers. They are allocated among the various functions as shown in the graph below:

Graph n.2



Source: "Conto annuale MEF, 2021"

The main way to become a public employee is passing a public competition. Indeed, article number 97 of the Italian Constitution states that "employment in public administrations is gained by competitive examination, except in cases established by law."

There are several types of competition: competition for examinations, competition for qualifications, competition for qualifications and examinations, Course-Competition (for the recruitment of executives after attending a training course at the "Scuola Nazionale dell'Amministrazione"). The public competition always respects some pillars: adequate publicity, impartiality, cost-effectiveness and speed of completion, objective and transparent mechanisms, respect for equal opportunities, commissions formed only by experts with proven expertise in the competition subjects, and decentralization of recruitment procedures<sup>5</sup>.

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<sup>5</sup> DL 165/2001 art. 35

Since the Italian system is career-based, there are few cases to fill immediately vacant positions with fixed-term contracts. It happens only in managerial and administrative positions thanks to the “spoils system”. This method involves the nomination of an executive/manager by a politician for a fixed term tied to the political mandate of the nominator. For example, this is the process used in the nomination of general secretaries.

All the public contracts are regulated by three kinds of agreement:

- “*Contratto Collettivo Nazionale Quadro (CCNQ)*”: defines the rules common to all public institutions;
- “*Contratto Collettivo Nazionale del Lavoro (CCNL)*”: regulates all the contracts in all public institutions of a specific sector. There are two CCNL for each sector, one for the executive staff and another for the non-executive;
- “*Contratto Collettivo Decentrato Integrativo (CCDI)*”: defines employment relations within a specific public agency. As the CCNL, there are two CCNQs, one for the non-executive staff and one for the executive one. Here, the negotiations are between representation of the institution and a Union representation.

Italian public institutions, before having a competition to hire new employees, point out a gap (in skills and capabilities) in their organization. Once this gap is identified, it starts the attraction process. To accomplish it, a public institution develops its Employer Branding program. Its scope is to attract (new employees) and retain (employees already in the organization). Through that process, the organization makes its own identity on the job market.

The recruitment process is one of the less developed stages in the hiring process among Italian public institutions. Unfortunately, most of the public institutions use passive processes of recruitment so they are not able to attract the best group of candidates for a vacant position. The easiest example of this process is the public competition published only on the “Gazzetta Ufficiale”. However, the recruitment and

the selection process are centralized for the central institutions whereas it is mostly decentralized for the territorial and local ones.

The employees' evaluation process aims firstly to assess the performance during the year. In this way, it's possible to give a feedback to the employee and give him/her the opportunity to understand the mistakes and to improve his/her skills. Then, the evaluation is strongly linked with rewards and incentives. In fact, bonuses and career advancements highly depend on the evaluation. In Italy there is a system that forces the distribution of evaluations and rewards in the organizations. The forced distribution imposes organization to divide employees in three merit bands:

- 25%: in the higher band;
- 50%: in the intermediate band;
- 25%: in the lowest band.

Following this schedule, employees in the first band will receive the 50% of the monetary rewards and the employees in the middle range will receive the other half of the amount. Employees in the lowest band will not receive rewards at all. Even here there are exemptions that can be established in the "Contratto Collettivo Decentrato Integrativo": it's possible to vary the highest band of 5% increasing or decreasing, the composition of the last two bands and the reward distribution among them.

The remuneration is an aspect that depends on the position held. For the executive staff it is composed of: fixed salary (the same for all the managers in a sector) plus the position salary (depends on the role held within the organization) and the performance remuneration (based on annual performance evaluation). For the non-executive staff, the salary is composed of: fixed salary plus pay allowance (if suffered damage at work, overtime work, and so on) and the performance remuneration (on productivity).

There are two way of career development: horizontal paths and vertical paths.

The horizontal path consists in moving from one economic position to another in the same category. It is an irreversible salary increase and rewards good performance in

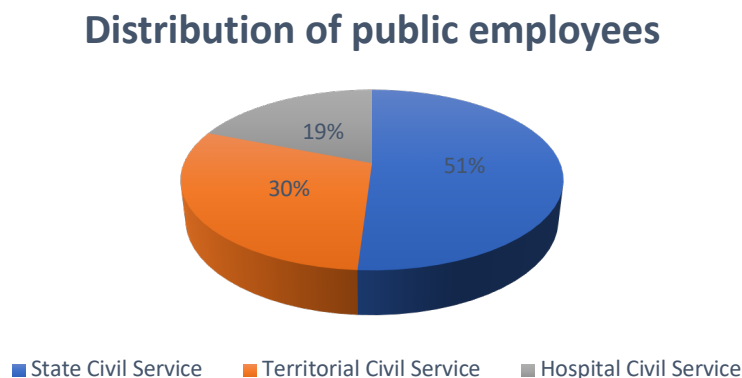
previous years. The vertical path involves moving from one category to a higher one. Obviously, it implies an increase in salary. It can be obtained only through another public competition, usually half of the positions are reserved for employees of the institution itself.

## 2.2.b The French case

The French Civil Service represents the largest employer in France, more than 5.000.000 people work for it indeed. We can identify three Civil Service category:

- State Civil Service;
- Territorial Civil Service;
- Hospital Civil Service.

*Graph n.3*



France, as Italy, has a career-based system so you can access by a public competition.

There are three types of public competition:

- *“External”*: that gives the opportunity to access to each level of the civil service (A, B, C);
- *“Internal”*: for those who are already employed in a public administration. This method is more a way to manage internal mobility and professional development than way to select new people;
- *“Third Competition”*: Destined to those who had matured professional experience in private sector and decided to access the public sector.

In addition to these procedures, the 9% of the available positions is reserved for competition title-based, to recruit people with particular technical and professional knowledge.

Moreover, flexible ways of employment are provided to fill the gap between private and public sector. These solutions are mainly two:

- *The PACTE*: a public law contract intended for young people up to the age of 26 and lasting one or two years. At the end of this period, the candidate, following an aptitude test, could receive a definite job offer and take up a position.
- Political nomination for the highest offices through fixed-terms contracts.

The career development system is based on a people classification in 3 big categories:

- A: Managerial positions;
- B: Intermediate level;
- C: Support tasks.

The switching from one category to another of a higher grade is possible through an internal or an external competition. The switching considers both merit (certificated by a professional exam) and seniority.

People training is an important theme for Civil Services based on a career-based system, so French competition provides access to public schools of administration, such as the ENA and the Regional Institutes of Administration, which take charge of initial training. Moreover, in the last years, training has also touched management themes.

Anyway, internal mobility is an opportunity for the employee but it is not mandatory, only 3% of employees take advantage of this option.

About negotiation, the French trade unions have a depowered role if compared to the Italian case. In addition, the negotiation is highly centralized, that also influences the employees' participation.



## 2.3 Position-based systems

The two cases taken under analysis of position-based systems are that of England and Canada.

### 2.3.a The English case

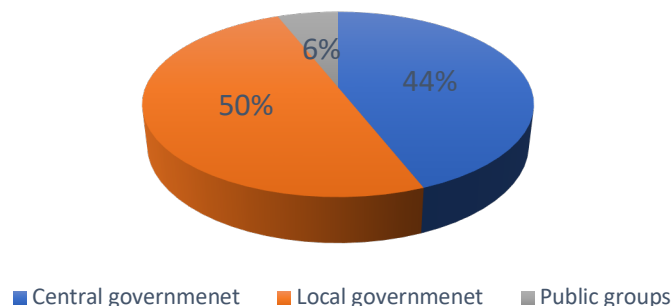
In England there are about 5.882.000 “*crown servants*”<sup>6</sup> which are classified according to the type of work done. In particular, we can distinguish two main categories:

- Support functions to policy makers;
- Executive functions.

In England, instead of France, the public employees work for local public administration mostly.

Graph n.4

#### Distribution of public employees



English Public employment is divided in Civil Service (“Her Majesty’s Home Civil Service”, about 3,500 officials with seniority) and Public Service (that includes the remaining public employees). Moreover, the personnel are distinguished in:

- Permanent staff;
- Fixed-terms nominations;
- Casual nominations.

In the United Kingdom the selection process is defined by Civil Service Commissioners Recruitment Code; public departments and agencies can select their employees independently.

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<sup>6</sup> A “person employed by the Crown”.

The recruiting is competency-based so it isn't focused on titles and certifications to ensure a perfect choice based on both soft and hard skills of the candidates. This system allows an excellent mobility between private and public sector that improve the exchange of know-how and important competences between the sectors. There also is the "Fast Stream Program", a system attracting the best young talent (almost always recent graduates) and allows them to occupy managerial and responsibilities positions early in their careers after a training period.

There are two methods to select people in the English system:

- *Public competition*: a merit-based competition for fixed-terms assignments (up to 5 years).
- *Alternative methods*: to re-hire a person already engaged, for appointment next the five-years period or to hire a person who has obtained a well performance in the competition and there is a shortage of suitable candidates for a position.

The Development Career System: in the UK there is a specific institution that assists public agencies and departments in the career development of their employees.

The main examples of career development plans are:

- Improving Leadership Capacity;
- Modernizing People Management (MPM).

However, the definition of the development systems is assigned to the Department and Agency, which follow some principles such as evaluation of candidates, merit orders, analysis of employee potential, and organizational behaviors. These last two competencies are analyzed and selected by "General promotion committees".

Once hired, there are some training programs for the employees that are not mandatory but necessary for career promotions. The two main training programs concern stages and "induction training"<sup>7</sup>.

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<sup>7</sup> Programs that assist new employees to familiarize with the new job, the employer and the new colleagues.

Training is mandatory in only one occasion, for the top functions level, called “Top Management Programme” which consists of public sector change management courses.

Moreover, this system is highly characterized by internal and external mobility. Indeed, there is a large possibility to promote temporary transfer of people from various positions. Likewise, there are many exchanges of people between the public and private sector. In the UK, how easy it is to interpret, mobility is considered more as a form of job rotation than a form of career development.

About control and evaluation systems, the main traits of Performance Management are: strengthen alignment between individual and administration, development of individual initiatives, highlight high-level performance and rewarding innovation, creativity and excellent team work.

At the same time the Performance Related-Pay points to improve salary when there is a top-level performance and one-off bonus remarkable performance.

In order to make them work properly, there are the “Public Service Agreements” (PAS) that define, through triennial agreements between single departments and the Ministry of Finance, performance and productivity targets. These deals point out the “Business Unit Plan” through “Performance Agreement” i.e. results expected during the year from each employee and measurement indicators chosen for the evaluation. In addition, there is a mid-year evaluation to discuss the major issues to reach the pre-assigned results.

From the Thatcher (1980-1990) period collective negotiation has taken a less relevant role in the UK. At the central level there are some agreements but every local government could decide independently whether to apply them indeed. On the other hand, for the health professions, the general principles are defined in the following documents: *General Whitley Council Handbooks*, *National Health Service Act*, *National Health Service and Community Care Act* and *Remuneration Regulations*.

### 2.3.b The Canadian case

Canada is a country of North America that covers 9.98 million square kilometers, making it the second-largest country by total area in the world. The Canadian's head of government is the Prime Minister, and it is a parliamentary democracy and a constitutional monarchy in the Westminster tradition. Queen Elizabeth II is the reigning monarch of Canada and each of the 10 provinces, she also designates the Governor General (a representative) who appoints the Prime Minister. Canada's population is approximately 38 million and GDP is about 1.600 billions of Canadian dollars, civil servants represent 20,75% (3,6 million) of the country's total workforce.

Table n.1

<b>Population</b>	34,108,752
<b>Public Employees</b>	3,604,999 (2010)
<b>Public Employees / Total Workforce</b>	20.75%
<b>GDP</b>	1,621,640 \$ CAD millions
<b>Spending on salaries of public employees / GDP</b>	11.3%
<b>Spending on salaries of public employees / Public spending</b>	30.3%

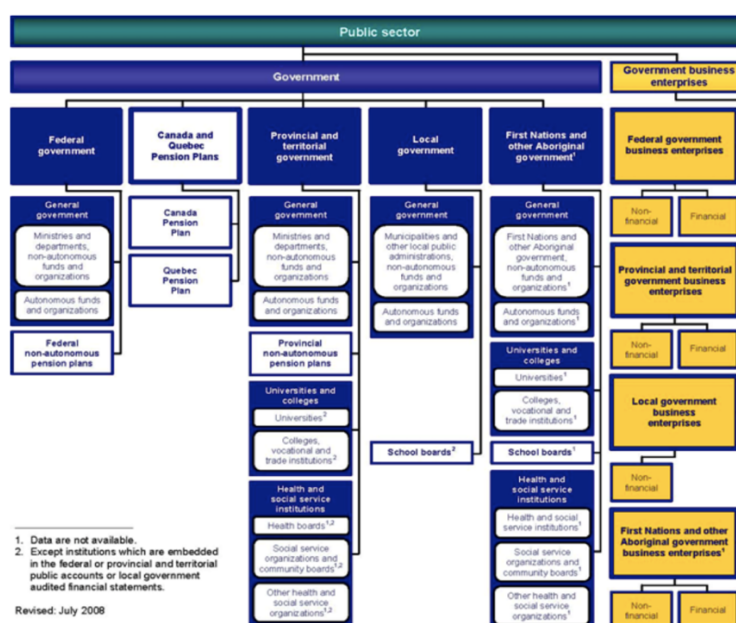
Source: *Sistemi di pubblico impiego a confronto: casi di studio internazionali (EGEA 2012)*, Giovanni Valotti, Giovanni Tria, Marta Barbieri, Nicola Bellé, Paola Cantarelli; Statistics Canada.

Canada opts for the position-based system and Canadian public administration is a highly decentralized system, indeed is based on four organizational levels: federal, territorial and provincial, local and aboriginal community, added to the Public Companies, which are divided according to the pertinent area.

- *Federal government* works through ministers and has tasks about general administration, they also definite the pension plan;
- *Territorial and Provincial government* deal with undergraduate education and the management of health institutions;
- *Local government* concerns the general administration of the respective territories.

Thus, the organizational structure of the Canadian public administration is shown in the graph:

Graph n.5



Source: Statistics Canada 2008

Canadian public employees are divided into these categories as shown in the following table:

Table n.2

	Employees		Spending on salaries (thousands CAD\$)	
<b>Public sector</b>	<b>3,604,999</b>		<b>183,541,359</b>	
<b>Public administration</b>	<b>3,292,457</b>	<b>91% (*)</b>	<b>164,723,343</b>	<b>90% (*)</b>
Federal Government	420,574	13% (**)	29,617,792	18% (**)
Territorial and Provincial Government	357,882	11% (**)	22,755,308	14% (**)
Territorial and Provincial social and health institutions	844,120	26% (**)	41,503,614	25% (**)
Territorial and Provincial university institutions	386,711	12% (**)	19,453,074	12% (**)
Local Government	604,860	18% (**)	20,394,370	12% (**)
Local educational institutions	678,310	20% (**)	30,999,185	19% (**)
<b>Public enterprises</b>	<b>312,542</b>	<b>9% (*)</b>	<b>18,818,016</b>	<b>10% (*)</b>
federal public enterprises	103,912	33% (***)	5,322,198	28% (***)
Territorial and Provincial public enterprises	145,765	47% (***)	9,905,550	53% (***)
Local public enterprises	62,865	20% (***)	3,590,268	19% (***)

(\*) percentage on the total public sector      (\*\*) percentage on the total of the public administration

(\*\*\*) percentage on the total of the public enterprises

Source: Sistemi di pubblico impiego a confronto: casi di studio internazionali (EGEA 2012), Giovanni Valotti, Giovanni Tria, Marta Barbieri, Nicola Bellé, Paola Cantarelli; Statistics Canada 2011.

It is evident that the decentralization of the system involves that about half of GDP (46%) is spent by territorial and provincial administration, a little less than a third (30%) is used by the federal government and the remaining part by the local government (19%).

That shows some relevant differences with European countries closer to centralized and career-based systems, these features carry higher expenses in central (or federal) levels indeed.

Table n.3

	Canada	OCSE average
Central government per capita spending	14,115 US\$	44%
Federal government spending / GDP	30%	8%
Territorial and Provincial government spending / GDP	46%	25%
Local government spending / GDP	19%	23%

Source: OECD data elaboration 2009

Moving to the processes that determines the hiring of new employees, selection and recruitment are based on affirmative action (fighting discrimination), equality of treatment and inclusion. Not all selection and recruitment processes are regulated by law: for ministers and agencies of Core public administration (CPA), Public Service Modernization Act e dal Public Service Employment Act are the text to refer to, but for those agencies belonging to *other public services* there isn't a regulation so each organization can manage these tasks by itself.

“Service Canada, People Serving People” is a government agency that provides tools for seeking employment through a public website. The best digital tools are:

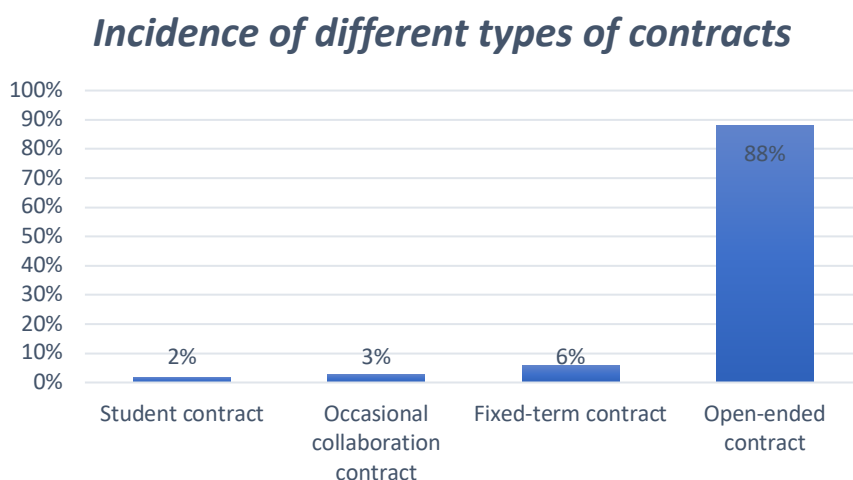
- *Job-search tools*: where you can find open position (also for the private sector) and a list of specialization courses to improve your skills and curriculum;
- *Government Job*: here you can find all the vacant positions for all levels of government;
- List of websites as [www.seekers.jobbank.gc.ca](http://www.seekers.jobbank.gc.ca) and [www.jobs-emplois.gc.ca](http://www.jobs-emplois.gc.ca) where you can find interesting employments.

According to needs, administrations decide whether to hold a competition or to choose directly from the pool of aspiring civil servants who have applied into the PSC database. The competition is based on both merit (through tests and assignment) and public service motivation.

Regarding the career development processes, the Canadian system is mainly a position-based model but it also has elements of a career-based model. The latter are referred, in particular, to the management of Senior Managers.

The Canadian position-based model has some particularities, in fact the greater part of the contractual forms of job are to indeterminate time, as evidenced in the diagram.

Graph n.6



Source: PCA 2009

The evaluation system is not totally effective. Critical points have been found in recent years such as complexity in defining measurable performance targets, excessive number of indicators that cannot be linked together and low employee development orientation. However, feedback between the evaluator and the evaluated is very common, even on a weekly frequency.

The managerial remuneration system involves either merit increment (permanent increases in salary) or performance-related bonuses one-off.

We can summarize the similarities and differences of the countries just described through a comparative synoptic table:

*Synoptic table n.1*

	<b>Recruitment</b>	<b>Selection</b>	<b>Remuneration</b>	<b>Career development</b>	<b>Evaluation system</b>
<b>Italy</b>	It's based mostly on passive strategies. As selection, it's centralized for the central institutions whereas it is mostly decentralized for the territorial and local ones.	For operational staff, the most widespread method for selection is public competition. For executive selection, the merit system is the most common procedure, but the spoil system is also used for the nomination of some top administrative figures.	Fixed remuneration is set by negotiations resulting in the three contracts: CCNQ, CCNL and CCDI. The variable part of salaries depends on the employee's annual performance and the incentive system in place in the organization.	Two types of career development: horizontal progression and vertical progression. Mobility with the private sector is very low.	The evaluation system follows a logic of forced distribution. It also strongly influences the distribution of rewards among employees.
<b>France</b>	As the Italian system has passive and intermediate recruitment methodologies, the latter mainly to attract young talent with the PACTE system.	The most widely used method is the public competition, which can be of three types: external, internal and "third competition." In addition, the PACTE system is used, to select young talent, and the spoil system is widely practiced for top positions, with fixed-term contracts.	The characteristics of contracts are even more rigid as trade unions have less power than in Italy, making negotiation even more centralized.	It is based on three levels: managerial positions, intermediate level and support tasks. The switching from one category to another of a higher grade is possible through an internal or an external competition. The switching considers both merit and seniority.	
<b>England</b>	The recruiting is competency-based so it isn't focused on titles and certifications to ensure a perfect choice based on both soft and hard skills of the candidates. The "Fast stream program" allows to attract the	Two methods to select people: public competition (a merit-based competition for fixed-terms assignments – up to 5 years) and alternative methods to re-hire people already engaged.	Salaries are competitive with the private sector because every local government can decide whether applying the collective negotiation or not. In addition, it's very widespread the use of performance related-pay to link	The definition of the development systems is assigned to a specific institution, the Department and Agency. Two examples of career development plans are: Improving Leadership	The main traits of Performance Management are: strengthen alignment between individual and administration, development of individual initiatives, highlight high-level



	best young talents.		performance and variable pay.	Capacity and Modernizing People Management (MPM).	performance and rewarding innovation, creativity and excellent team work.
Canada	It's highly decentralized. Selection and recruitment are based on affirmative action (fighting discrimination), equality of treatment and inclusion. Not all selection and recruitment processes are regulated by law: for those agencies belonging to other public services there isn't a regulation so each organization can manage these tasks by itself.	According to needs, administrations decide whether to hold a competition or to choose directly from the pool of aspiring civil servants who have applied into the PSC database. The competition is based on both merit (through tests and assignment) and public service motivation.	The Canadian position-based model has some particularities, in fact the greater part of the contractual forms of job are to indeterminate time. The managerial remuneration system involves either merit increment (permanent increases in salary) or performance-related bonuses one-off.	Career development can happen both in the public sector (through horizontal and vertical progressions) and in the private sector (switching from a sector to the other). There is a high mobility between the two sectors., in particular for managerial positions.	The evaluation system is not totally effective. Critical points have been found in recent years such as complexity in defining measurable performance targets, excessive number of indicators that cannot be linked together and low employee development orientation. However, feedback between the evaluator and the evaluated is very common, even on a weekly frequency.

## 2.4 The future reforms in the Italian system

After the description of the current Italian system, it is important to explain where the Italian Public Administration is going to be thanks to some reform processes. In the last few years, many proposals for renewal have been proposed, but in most cases, they have not actually been implemented. The main problems in the difficulty of implementing these reforms can be traced to elements such as:

- *High formalization and bureaucracy*: formalizing the procedure to act fairly and correctly takes longer because all processes must follow a rigid and detailed scheme. This highlights how the form, unfortunately, in this system, has much more importance than the substance. In particular, high formalization is primarily

present ex ante. This leads to very long lead times in initiating reform and change processes.

- *The presence of “political-institutional rhythms”*: these rhythms affect the management of Public Administration. Indeed, the period prior to elections is marked by great promises, almost unrealizable, and the period close to the end of the mandate is characterized by very "popular" choices which, however, negatively affect the effectiveness and efficiency of the public sector.
- *“Announcement effect”*: public decisions are always communicated to the community ex ante before being formalized, this allows the opposing lobbies to formalize petitions to stop the action of the PA. For example, when the Sugar Tax was about to be approved (between 2019 and 2020), Ferrero moved to avoid it and in fact it is still blocked.

The main reform trajectories for concern the following areas:

- *Budget and accounting*: moving from input-oriented spending responsibility to a performance-oriented one;
- *Performance measurement and audit*: to base people's remuneration levels more on the results obtained and the level of development at a personal level (skills, knowledge and relationships);
- *Personnel management*: in this area there are many components to discuss. Firstly, efforts are being made to increase mobility between the public and private sectors in terms of career development and skills interchange between the two sectors. In addition, more and more responsibility is being given to individual public bodies in the hiring and management of personnel, unlike in previous years when administrations had to adhere strictly to national collective labor agreements.

The outbreak of the Covid-19 pandemic has accelerated the process of public administration reform thanks to a number of funds received also from the European

Union. This can highlight how even from negative events, people can and must be able to make the best of it and use these moments as events of rebirth and restart. In fact, thanks to these funds, there are on the schedule many changes in the Public-sector structure. The most crucial acts concern: simplify all bureaucratic aspects, qualify and give importance to soft skills in selection processes, internationalize public management, make employees accountable not only for outputs but also for outcomes, make systems more flexible by bringing the career-based model (present in Italy) closer to the position-based model, give greater responsibility to every level of the organization, and make employees more accountable.

## **2.5 Emerging Trends**

The development of the public administration system is influenced by three main factors:

- Limited budget;
- The growing demands of users drive the trend towards a customer-oriented public service based on high quality standards;
- The need for performance-based indicators.

Since the 1980s, most of the OECD countries have reformed their public employment systems, giving rise to some emerging trends<sup>8</sup> common to the various states:

1. Hybridization of career-based and position-based models;
2. Adoption of active recruitment strategies;
3. Introduction of selection mechanisms based on competence, potential and motivational profile;
4. Enhancement of measurement systems e assessment of individual and group performance;
5. Performance-related pay;

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<sup>8</sup> Sistemi di pubblico impiego a confronto: casi di studio internazionali (EGEA 2012), Giovanni Valotti, Giovanni Tria, Marta Barbieri, Nicola Bellé, Paola Cantarelli

6. Institutionalization of public management;
7. Evolution of personnel management systems in a strategic sense;
8. Approach to the private sector for personnel management.

The study of the evolution of public employment systems in the world shows that the career-based systems are integrating elements about position-based systems and vice versa.

To implement these changes the career-based systems are improving the tools for measuring and evaluating performance to guide the behavior of public employees towards results. Furthermore, there is a tendency to decentralize the management by objectives and incentives and to leave the management of recruitment, training and promotion centralized.

In countries with position-based public employment systems, the reforms particularly concern:

- a. Making selection procedures more meritocratic and transparent;
- b. Centralize management by creating, for example, archives with the curricula of each public manager;
- c. Define general and clear criteria to manage career paths in a similar way even between different public entities;
- d. Reduce turnover and implement management policies to stimulate the engagement and empowerment of public employees;
- e. Enhance and make managerial skills more specific.

Finally, there is a tendency to leave the functions of selection, promotion and training decentralized.

In recent years, all public administrations have been abandoning traditional recruitment systems, moving towards innovative active solutions, such as e-recruitment. The use of online platforms such as LinkedIn has made this change faster. These strategies are certainly more expensive from a monetary point of view but also at the level of

design and implementation. At the same time, they are able to guarantee a better and more appropriate result of the selection.

In Germany and the USA, the recruitment of public administrations already takes place from universities or even from secondary schools.

In Italy, an example of innovative recruiting strategies has been the Municipality of Milan in recent years for the selection of administrative managers. In this case it was decided to add, to the usual closed-question test and the oral exam, a "test-in-basket", a group assignment and an individual assignment, followed by a competency-based interview and one on motivation. Finally, it was necessary to create a scoring model that transformed all the quantitative and qualitative scores into a ranking. In this way it was possible to analyze in the candidates all the aspects necessary to occupy a certain task.

Another change taking place in public administrations concerns the progressive diffusion of selection systems aimed at evaluating the potential and motivational profile of candidates, in addition to their technical skills.

In general, training, hard skills and soft skills represent the elements sought and analyzed during innovative selection processes. The training-based selection process analyzes the academic curriculum and particularly the candidate's past experiences. When the selection focuses on hard skills and soft skills, it is necessary to analyze respectively the technical and theoretical skills to fill that specific position and personal characteristics such as relational skills, leadership styles, ethical and moral values and team working skills.

An example of this trend can be found in Canada, where the public administration organizes competitions through which it evaluates the hard skills and a final interview to analyze the personal characteristics of the candidate, in particular the level of Public Service Motivation.

Over the past thirty years, 93% of OECD governments have introduced individual and/or group performance evaluation systems<sup>9</sup>. To evaluate employee performance, a series of parameters must be configured to compare the results to a reference.

In the various countries, the main parameters for judging performance are:

- a. The degree of achievement of the targets assigned in advance;
- b. Obtaining results in comparison with colleagues of equal rank within the same organization or between different organizations;
- c. The persistence over time of the results obtained by the employee.

Who measures and evaluates employee performance?

In the traditional system, a hierarchical and one-way evaluation is preferred, in which the boss evaluates the employees.

Australia, Canada, France, Germany, the United States and Sweden, as well as Austria, Denmark, Finland, Korea, Mexico, Norway, New Zealand and Switzerland are moving towards a 360 ° assessment in which the employee is evaluated primarily by himself, then by collaborators, bosses and users.

Graph n.7

Forms of monetary incentives in OECD countries.		
	Salary increases	Bonuses
Canada	For managers, annual pay steps of 5 percent within the same salary category as they are in	10-25% of managers' salary
Denmark	Autonomously determined by each organization	Autonomously determined by each organization
Finland	Increases averaging 13-20% of base pay. For excellent performance, increases of up to 50% of base pay	Group bonus averaging 2% of base pay
Germany	Annual increases for no more than 15 percent of civilian and military personnel classified in pay scheme A who have not reached the pay ceiling of their category	Annual bonuses not exceeding basic pay and not more than 15% of civilian and military personnel classified in pay scheme A
Netherlands	Annual pay steps	Autonomously determined by each organization. The average amount is €1200
Spain		Individual or group bonuses. Bonuses affect personnel spending by about 10 percent
United Kingdom	Annual increases	Considerable variability among different administrations
United States	Against excellent performance, annual raises of about 3 percent for employees framed in the General Schedule pay system. Raises are funded outside the personnel budget	For executive staff, annual bonuses equal to 1-2% of above-average performance pay. Presidential Rank Award of Distinguished Executive equal to 35% of annual salary awarded to no more than 1% of top managers. Presidential Rank Award of Meritorious Executive equal to 20% of annual base salary awarded to no more than 5% of top managers

Source: Bellè, N." Appendice: Uno sguardo sul mondo". In Valotti G., 2009. "Fannulloni si diventa". Milan: EGEA.

<sup>9</sup> Sistemi di pubblico impiego a confronto: casi di studio internazionali (EGEA 2012), Giovanni Valotti, Giovanni Tria, Marta Barbieri, Nicola Bellè, Paola Cantarelli

The comparison between the public administrations of many states has shown a strong relationship between the decentralization of procedures and the enhancement of merit. In fact, where there is a strong link between awards and results, there is also a high decentralization of the HR function.

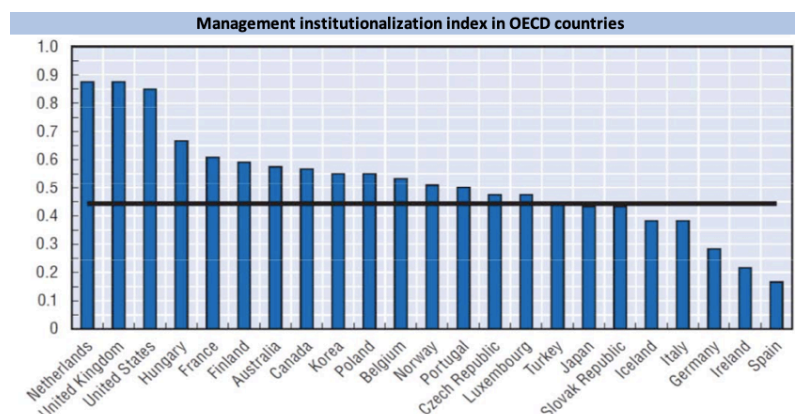
However, this evidence only really occurs when accountability for results is accompanied by strong managerial autonomy.

Another emerging trend regarding public employment is the institutionalization of management, that is the progressive differentiation of the recruitment, selection, grading, training, evaluation and remuneration systems of management from those in use for the rest of the staff.

For example, the competency-based model analyzes leadership skills only for administrative tasks. Likewise, management selection rules have become more flexible than the rest of the staff, such as the possibility of hiring through spoil systems for managerial positions only. Another selection method is the course-competition, through which the recruitment takes place only after passing a trial period demonstrating the skills and aptitudes necessary to cover that qualification.

The introduction of performance-related pay systems has affected the composition of the remuneration of executives in a much greater way than the salary of executive staff. For example, in Australia and France, top management is the only staff segment to receive performance-related bonuses.

Graph n.8



Source: *The state of the Public Service*. OECD 2008. Paris: OECD.

“The role of the people management function in both the public and private sector is changing, moving away from the traditional model of personnel management to strategic HRM”<sup>10</sup>. This trend translates, on the one side, into the involvement of personnel managers in the formulation of general strategies and, on the other side, in the delegation of operational staff management to line managers<sup>11</sup>.

The strategic evolution of public people management systems on a practical level has resulted in the differentiation between "people administration" and "human resource management". The first definition indicates people management from an operational point of view, while the second refers to the strategic dimension.

Many governments, such as the UK, have progressively delegated direct staff management to line managers, leaving the advisory function to HR units.

Finally, another part of the reforms of public employment concerns the approach to the private sector logics and systems, migrating from administrative law to private law.

In Italy this phenomenon was implemented through the contractualization of public employment, which took place with the migration of 80% of public employment under the same civil law that regulates work in the private sector. This has resulted in the substantial convergence between public and private sector wages.

### **3. Data: Interview**

#### **3.1 Interview with Dr. Trombetti Lilia**

Since the beginning of January 2022 until the end of April I have participated in an exchange student program in Ottawa (Canada). During these 4 months I was able to learn about many cultural factors that distinguish Canada and was able to deepen my knowledge about the Canadian public system.

Collecting useful data for my final work during my 4-month experience in Canada was extremely easy thanks to the helpfulness and kindness of Dr. Trombetti Lilia.

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<sup>10</sup> Teo, Rodwell, 2007, p. 267

<sup>11</sup> Hays and Kearneys, 2001



First of all, she works at the Federal Government level, she is responsible for the Human Resource function at the Canadian Radio-Television and Telecommunications commission. This public company is the regulator for radio-communication service providers (even implementing policies) and it also has a role in regulating broadcasting. When the meeting started, she explained: "When I have to hire a new person, I look for bi-lingual people (English and French), that also affect the way we recruit. Public institutions and private companies in Canada have very different goals. Public institutions, like CRTC, don't need to worry about making money but to ensure that the government can serve and support the Canadians. So, they have different challenges, public institutions have to worry about public safety and economy and so on; things that you don't need to worry about in the private sector. Sometimes there is a feeling that managers in the public sector may not be as efficient, or as good, as in the private sector. I think that probably this idea exists in Canada as well because the private sector is "money-based" and able to attract the best people because you can pay them better."

After this brief introduction I asked a question on the differences in salaries between the public and private sector. Her answer was: "The pay is better in the private sector only for certain jobs. For example, if you speak about an administration assistant I will say that the public sector is better because it's a minimum of \$60.000 CAD, and in the private sector when you start from an entry level position you can't get paid as much. But there is a timeframe when you move to the executive jobs, the private sector can usually attract people working in the public sector to go working for them because they can offer better pay (above all through incentives)."

In addition, Dr. Trombetti showed me that, generally, in the public service, the way they recruit people from outside is in the Public Service Act, it's legislated, so they follow the guidelines specified in that Act. Public institutions have to follow some values: transparency, fairness, access and representativeness. So, when a public company runs a process or a competition it should be fair (everyone is able to apply and has the same opportunities to participate and win), transparent, accessible (it means people

should be able to see the poster of the job and they can apply easily) and representative. The last one is all about the “Employment equity” that is based on giving opportunities to work also to 4 “disadvantaged groups”: women, people with disabilities (from physical to psychological), indigenous people and minorities (of all types).

She also presented me a public poster<sup>12</sup> that Bank of Canada dropped to recruit candidates for an internship:

Figure n.1

**Requisition Number:** 6431  
**Position Type:** Internship  
**Position Length:** 2 to 4 months  
**Location:** Ottawa (Downtown), ON, CA  
**Remote Work**  
**Closing Date:** June 30, 2022 23:59 EST

**Diversity and Inclusion**  
 We strive to make our policies, programs and workplace more inclusive, respectful and barrier-free. We encourage applications from women, indigenous peoples, veterans, persons with disabilities, members of visible minorities and persons of all races, ethnic origins, religions, abilities, sexual orientations, and gender identities and expressions.

**We make career growth and professional development a priority.** We are committed to developing inclusive, barrier-free recruitment and selection processes, and a work environment that supports our diverse workforce.

**Assets**

- Other research papers
- Experience in presenting research at conferences, events and meetings

**Language requirement**  
 English or French essential

**What you can expect from us**  
 This is a great opportunity to join a leading organization and be part of a high-performing team.

- The internship offers a compensation of \$5,917 per month.

**Additional information**

- Security level required: Be eligible to obtain Reliability or Secret
- There will be no relocation assistance provided

**Vaccination:** In response to the COVID-19 pandemic that was declared by the World Health Organization, the mandates issued by the federal government, and the direction provided by public health authorities, the Bank of Canada requires all new employees to be fully vaccinated prior to their start date. If you are the selected candidate, you will be asked to first attest your vaccination status at the reference stage and will then be required to submit proof of vaccination status or request accommodation for a legitimate medical, religious reason or other human rights-based grounds at the offer stage as part of the offer process.

**Key Requirements**  
 Your application will be evaluated against the key requirements listed below. You must submit a cover letter which demonstrates how your research interests are relevant to the Bank, your curriculum vitae, an extended abstract or an early draft of at least one paper or chapter from your thesis and a letter of recommendation from your adviser supporting your application.

- writing skills: the ability to produce effective written documents
- research skills: ability to analyze complex economic and financial information, using empirical and/or modelling skills
- research interest in one or more of the following areas:
  - Macroeconomics and Monetary Economics
  - Banking and Payment Systems
  - International Economics
  - Global Commodity Markets
  - Financial Economics
  - Financial Markets and Institutions
  - Labour and Demographic Economics
  - Mathematical and Quantitative Methods
  - Industrial Organization
  - Law and Economics

**Assets**

- Other research papers
- Experience in presenting research at conferences, events and meetings

**Language requirement**  
 English or French essential

Likewise, she even mentioned a new CRTC's poster regarding a middle level officer position. The level is called PE4 (PE is the classification of the type of position). In the poster all the characteristics and skills required are specified. In addition, the salary range is put in the poster because the salary is set. The important thing to underline was: “Then the Unions that represent the employees negotiate with the employer and the employer is the “Treasury Board”. Every year a collective agreement is signed and

<sup>12</sup> <https://careers.bankofcanada.ca/job/Ottawa-%28Downtown%29-PhD-Internship-ON/550245817/>

its span is only one year. For this reason, every year it is renewed and modified, if necessary. However, the salary scales are pre-determined and that are negotiations with the Unions. So, for example, in CRTC, in my team I have 6 levels: PE1, PE2, PE3, PE4, PE5, PE6 and each of those have a set pay. If someone reaches the top pay of his level they have to compete to get the next level to increase his salary.”

Once this classification of employees was introduced, my question was whether there are specific processes or rules for moving from one category to another in the organization. Here the manager explained: “There are specific criteria but it’s determined by the HR manager, it’s not legislated by some rule but it is determined and assessed by managers. So, salary is set by law, but recruiting people and the qualifications that you need are set by the manager. However, there are some restrictions like if you want to apply for an economic analyst position you are going to need a university degree to get in that group, this is certainly specified in the poster.”

After these themes, we turned to how Canadian public institutions advertise their posters.

Responding, it was found that, in the past, Public institutions didn’t use social network and public places to share their poster but in the latest years it is always more a common practice. It wasn’t widely used because before they followed more rigidly the set value like fairness and transparency, thus they were worried about going out of them. Instead, recently the line of being more effective and hiring the best people is being favored even at the expense of not complying to the letter with all the stakes imposed by the standards. In this way, now they have their own internal social media of the government that shares the vacant position with all the features of that job.

Moreover, in the Public Service in Canada, people move frequently among different departments during their career. An example of platform used by Canadian public institutions can be seen on “Government of Canada Jobs” website<sup>13</sup>, as shown below:

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<sup>13</sup> <https://emploisfp-psjobs.cfp-psc.gc.ca/psrs-srfp/applicant/page2440?fromMenu=true&toggleLanguage=en>

Figure n.2

Jobs open to the public (783)

(First / Previous) Page 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 of 40 (Next / Last)

Job title	Closing date	Employer	Location	Salary range
1. <a href="#">Analyst, Data Insights and Reporting (Data Analyst)</a>	2022-05-18	Canadian Security Intelligence Service	Ottawa (Ontario)	Various language requirements and/or profiles \$73,970 to \$89,970
2. <a href="#">AU-06 International and Large Business Case Manager &amp; AU-06 Coordinator, Large File Appeals</a>	2022-05-18	Canada Revenue Agency	Various Locations	English essential \$121,536 to \$145,584
3. <a href="#">Chief/Consultant "Closing date extended"</a>	2022-05-18	Public Services and Procurement Canada - Receiver General and Pension Branch	Matane (Québec)	Bilingual - imperative \$71,599 to \$77,368
4. <a href="#">Computer Support Specialist (Req #12261)</a>	2022-05-18	National Research Council Canada	Various Locations	Various language requirements and/or profiles \$74,952 to \$95,612
5. <a href="#">Coordinator, Construction Services</a>	2022-05-18	Defence Construction Canada	National Capital Region - Other locations (Ontario)	English essential \$70,018 to \$94,525

In the Canadian Public Service, when you start to work you begin to accumulate some benefits that you can collect whenever you want. This is a kind of incentive to retain people in the public sector.

Later, Dr. Trombetti said me: “People who wants to work for the public sector can read about it and have to win a competitive process. Now, since we want to reach our “diversity goals”, there are also things like options to do appointments without competition based on manager’s discretion. This is to favor minorities given their difficulties in having equal opportunities, especially in past years. For many years, the “employment equity groups” were the four mentioned before, but now the Canadian government are seeking to help also other groups like transsexuals, homosexuals and so on, so, fortunately something is changing. For these reasons, nowadays the HR function is very dynamic in the Public Service, it’s moved more in the latest 2 years than in the last 20 ones.”

Speaking about the whole system, she outlined that the Canadian system is very position-based. It’s changing a little bit due to the changing of the organizations’ goals but it remains close to that kind of system. Then: “We also said before that compensation is fixed. For each position there is a range where salary can vary based on the employee’s performance during the year. Above all, employees on the executive level can obtain huge performance-related bonuses. In the same way, some organizations give excellent incentives to people who manage their work well. There are some organizations that are really good at that, one over all is the Canadian Revenues Board. However, there are also incentives that lead to the improvement of

the employee. For example, a lot of organizations pay a lot for training programs for their employees. Unfortunately, organizations do not reward for an employee's personal growth during the year" (i.e., there are no bonuses if the employee has participated in training courses).

Regarding the Selection processes she showed that there are some jobs open to people outside the public system and others reserved to people who already are in the government. Thus, when there is a process for people outside the government, it starts with the publishing of the poster. From June 2021, the Canadian government decided to help people who are permanent Canadian residents but they have not received citizenship yet (because the process takes 3 or 4 years). To accomplish it, it gave them the opportunity to find a permanent job despite their status. In this way, the diversity of employees is very increased. People that come to Canada have doctoral degrees or a high level of education so the Canadian Public Service is very good in attracting international talents giving them the opportunity to take a permanent job. At the same time, given the possibility to use fixed-term contracts, they are able to fill temporary gaps with high-skilled people whenever they need, taking human capital from private companies as well, especially when the position to be filled was strategically important. Afterwards, we talked about the competitive procedures. She replied: "Anybody who wants to apply to a position needs to pass a competition. Competitions are made by tests and interviews. It is important to underline that the tests are not national but are determined by the managers of each organization. For this reason, two organizations working in the same sector and/or field may have very different candidate selection procedures. Likewise, organizations can choose the method to carry out the test: on the computer, written on paper, online, and so on. We are trying as much as possible to recruit people inside the 4 groups mentioned before because we are following a discretionary decision-making process. In the same way, we follow the public pursuit in our decision because public institutions are using public money, so we must act in the interest of the entire community." Moving on to the tools used during the selection,

we discussed the most used methods also thanks to resources found on the Internet. Indeed, she showed me some websites and some real cases of selection processes. In this way it was defined that to select people, Canadian public institutions use a variety of tools. The most used one is “Group assessments”. It assesses the ability of a person to interact and work with other people and his/her problem-solving capabilities. This method also verifies skills like critical thinking, communication, decisiveness and leadership potential. This tool can be implemented in two ways: leaderless group discussion and/or group interview. In the first one, candidates are put together and they have to solve a problem within a set range of time. In the second one, candidates are interviewed together and they have to answer questions. The scopes of leaderless group discussion are the prediction of candidate’s job performance, how candidates influence each other and how they face unpredictable events. The second method is the most efficient (the company interviews more candidates simultaneously) and assesses the capabilities and the skills of a candidate.

How are these methods actually implemented<sup>14</sup>?

The Treasury Board of Canada Secretariat used group interviews to assess about 5 candidates at a time. At the start of the process, the interviewer proposes an ice-breaker exercise to allow candidates to feel comfortable during the speech. Then, it starts with the questions but the order to answer changes every time to give the opportunity to each person to be the first (or the last) to answer. The ratio (According to the company) of using this tool is that it takes more time than an individual interview, so this extra-time allows people to “demonstrate who you really are”.

The Canadian system supports the selection process of institutions. Indeed, there is an advisory board (Public Service Commission’s Personnel Psychology Centre) that offers free consultation to develop and use these tools and it can make free assessment tools tailored to the company’s needs.

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<sup>14</sup> <https://www.canada.ca/en/public-service-commission/services/public-service-hiring-guides/best-practices-for-using-group-assessments-for-selection.html>

Lastly, she told me about research<sup>15</sup> (by “International Civil Service Effectiveness Index” prepared by researchers from Oxford University and the Institute for Government) which shows that Canadian public service is the most effective in the world. Canada is on the top of the rankings based on performance measures like tax administration, policy making, inclusiveness, openness, integrity, crisis management, fiscal and financial management. Another feature that affects its position is the high level of education of the public workforce and the strong presence of women, ethnic and religious groups.

After this discussion with Dr. Trombetti Lilia, it’s easier to define the real processes involved in the Canadian Public Service.

#### **4. Discussion**

Having analyzed and discussed all the characteristics of the two civil service models and observed the various international cases, it’s possible now to answer some relevant questions which today are useful to understand why and how the choice of one of the Civil Service Models can affect the quality of an entire nation:

- How do we define and measure one selection system better than the other?
- Why, in Italy, do not all the best managers work in the public sector?
- When is one model better than the other?

##### **4.1 How do we define and measure one selection system better than the other?**

From the analysis it’s now possible to point out which variables make a selection system actually effective. The selection process is given not only by the tools used for the actual selection of the best candidates but as a process that starts with the institution's construction of its brand and the recruitment methods used. Starting from the employer branding process, we saw that there are not huge differences between

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<sup>15</sup> <https://ottawacitizen.com/news/local-news/canadas-civil-service-is-worlds-most-effective-uk-report/>

the two civil service models. However, since the position-based model has to follow less bureaucracy than the career-based, in the first one public administrations have more discretion in how best to offer their value proposition. For example, they can create more specific announcements and concentrate better on the real needs of the organization.

Moving to recruitment, as mentioned above, in position-based models it is decentralized to individual institutions whereas in career-based systems it is primarily centralized. This is why public institutions in a position-based model can create their own way to reach the potential candidates. The City of London and the UsaJob portal are two of the most iconic platforms used to actively recruit people. When an organization is able to make aware all the potential candidates about the skills required, the location of work, the salary offered and all the information to know about a job it becomes easy for a person to understand whether he/she is able to cover that position and if that position is suitable for him/her. There is an implicit preselection. This preselection aims to make the selection process more efficient (less people to examine) and, at the same time, more effective because selectors have less margin for error in selecting the wrong people if the applicant pool is less large but more accurate. In addition, like in Canada, since people can access public employment also during their career, public administrations are able to attract even the best foreign talent interested in the public environment with maybe previous experiences in international private sectors or in another public service. Thus, it's even easier to accomplish of the internalization of the executive staff of a nation. In career-based systems, as seen in "Emerging trends", institutions are moving to active strategies of recruitment but they however have some problems to completely cross the obstacles presented by a rigid bureaucracy. The mere publication in the "Gazzetta Ufficiale", or on the government website, of the announcement of the public competition is no longer sufficient to reach all the potential candidates needed.

Once the recruitment process gives its results, the selection can start. We described the most used tools in selection in the first part of the analysis. In the Napoleonic



systems we said that the most used tools are the examinations by tests, the evaluations of the educational qualifications and interviews. Structured methods of examinations are not so used. It is also a consequence of the goal of the selection: general characteristics for a lifetime employment. In position-based systems the selection process is usually more accurate and specific. Selectors focus on specific skills for well-determined ex-ante job positions. Here, it is worth mentioning the instruments used by Canadian public institutions, as suggested by Dr. Trombetti during the interview: leaderless group discussion and group interview. These structured methods of selection aim to make a more accurate choice among a group of candidates. As explained in the interview's section, they try to draw out all the distinctive traits of a person (from working in a team to how to approach real problems), in addition to technical knowledge, through more or less complex structures and case studies.

Thus, selection tools in position-based are more advanced to identify the right person for a position among small pool of candidates, instead career-based methods are more general and less accurate, but they can be useful to choose from a large number of applicants, which can reach into the thousands, as seen in the competitions for personnel for PNRR<sup>16</sup> implementation in Italy. However, it's possible to conclude that position-based selection processes are more accurate to select the most competent and deserving people for a job position.

#### **4.2 Why, in Italy, do not all the best managers work in the public sector?**

Managers are the highest players in the hierarchical pyramid of an organization and therefore are the people who drive the institution in its strategy and goals. The importance of these people is already evident from this definition. In the public administration their importance takes on even greater significance, since, as explained in the introduction, they are provided with fewer resources but greater goals to pursue

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<sup>16</sup> "Piano Nazionale di Ripresa e Resilienza"

than managers working in private companies. For all these reasons, it's necessary to give an answer to the question: Why, in Italy, do not all the best managers work in the public sector?

To answer the question, we have to fix the variables that managers and executive staff, in general, consider in choosing where to work. The salary, the personal development, motivating factors and the accessibility to relevant positions are the main elements to consider. In Italy, the salary perceived by top public managers is almost the same as the same position in a private company. This is not true instead for middle managers and lower positions. However, this variable doesn't seem to affect the manager choice because there are not so many differences between the sectors.

The situation changes when speaking about the accessibility to top positions. Since the presence of the career-based system, in most cases executive staff consists of people from within the organization who have received career advancements or otherwise people selected from a pool of candidates already within the public sector. Thus, there are few opportunities for people outside the public sector to obtain those positions. This sometimes happens, in particular through the use of the spoil system mentioned before in the analysis. As just said, few managers enter in the middle of their career in the public sector to cover top positions. Instead, the opposite often happens. Many times, the best and most highly prepared executives in public administrations leave the sector to work in public companies that, lacking economic and numerical limitations in hiring, offer higher salaries than a public agency can offer. In the same way, best managers sometimes prefer the private sector because it is more competitive and challenging, given the lack of constraints and rigid bureaucracy to deal with.

At the start of the interview, I discussed this topic also with Dr. Trombetti that confirms to me the presence, even in Canada, of the idea that sometimes the best public managers go to work in the private sector. She gave me very similar reasons to those just listed, with the addition that sometimes in Canada public managers do a stint in

the private sector, then return to the public sector. However, this would not be possible, or at least as easily, in a career-based system.

#### **4.3 How can the Public Administration recruit the best talents?**

All the topics discussed showed that the effectiveness of the work of public administrations strongly depends on the quality of its workers and that it also strongly affects the entire private sector. The question must then be asked how public administrations can recruit and acquire the best skills, the best talent, and thus, more generally, how they can have the highest quality in human resources.

The focus of this discussion is on recruitment because this stage is the one that affects most the result of a great selection. As explained before, the recruitment opens the company's door to the potential candidates and makes them aware about the features of the company or the institution.

Thus, recruiting the best people is a process that concerns some elements. First of all, the public administration should create an accurate image of itself on the job/labor market through a strong employer branding. It should use all social networks to dialogue with the laborers' world, thus seeking maximum visibility and making its brand, its institution, distinguishable and easily reachable from other employers. Likewise, it should create a clear and transparent website that can be consulted by all and that includes all necessary information about future competitions and selection procedures. Another priority for public administrations is to create strong networks with the education system, from secondary school to universities. Explaining all the opportunities offered by the public sector, including salary levels, professional and personal development programs offered, and the challenges that public institutions will face in the future. To raise the quality of recruiting is obviously necessary to even improve the attractiveness of the organization. Raising the interest around the tasks, creating a great work environment inside the organization, guaranteeing high pay-level, ensuring personal development and numerous training programs and a high

level of practical applicability of its own actions in the workplace are all elements that makes the organization more attractive to the public.

As we saw, the structure of the notice of the competition (or any other form of selective process) is very important to attract the right people. Posters with limited information attract fewer people because it is a more complex advertisement to understand and more difficult to take in. If a job poster does not specify the tasks the employee will perform, the pay offered, and/or the hours of work, potential applicants will fail to perceive the real attractiveness of that job and will tend to prefer other opportunities.

Therefore, the public administration will have to pay close attention to the layout and content of the poster it is going to publish. Precisely describing each feature of the job offered is the starting point for creating an accurate candidate pool.

Once the poster is structured, it will be necessary to decide which recruitment strategy to adopt. Using a passive recruitment strategy will make the process ineffective and will surely lead to an unsatisfactory result. Here, it is necessary to use active recruitment strategies, even recurring to forms of e-recruitment. To accomplish this, it is also necessary to start using LMI<sup>17</sup> such as consulting firms for public institutions and online labor market platforms such as LinkedIn. Using direct and indirect paths to reach the labor market finally makes the organization knowable in an appropriate way. Creating effective and efficient recruitment systems, that is, ones that are easy to apply and easy for candidates to take in, can have the effect amplified even more through word-of-mouth, in which it is the potential candidates themselves who spread information about job offers, and the institution in general, to other people.

Another tool to implement in recruiting workers is the preselection. Once obtained the first big pool of candidates, it is necessary that they take an online pre-selection test attesting to at least basic and language knowledge to eliminate profiles further from the required characteristics. Coming back to the recruitment strategies, active methods are the only way. Starting from the career-based system, where the processes are

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<sup>17</sup> Labor Market Intermediaries

mainly centralized, the idea is to create a national online platform where all the public institutions can attach their posters. It can be easily sponsored and promoted through national TV and popular social networks. In this way, people of all ages will be aware about this option. This platform should be like an internet search tool, where each person creates his or her own profile with his or her educational, professional and volunteer experiences and can search through filters (industry, salary, required skills, and so on...) for job offers that are most similar to him/her. At the same time, institutions need to start campaigns of on-campus recruitment among universities to speak to all the students about the opportunities given by the public sector and spread information about public companies to the future workers.

In a position-based system, since the seeking of more specific competence for determined positions, the tools mentioned above are useful as well but it is essential to add the use of specialized headhunters. Recurring to specialized figures can optimize the process of recruiting. They have specific skills in finding the best candidates, and since many times in this type of system you need one new worker at a time, they would make the process much more cost and time efficient. In fact, if you need to introduce a few new employees into the organization, starting a selection process can be very expensive, and the unit cost of the process that falls on each new hire is very high. Outsourcing the process would be more economical, but more importantly, it would ensure that professional procedures are used in the search for talent. This method should be used even in career-based models but when the number of hiring is wide it becomes too expensive.

Finally, in both systems there is the need to implement accelerated career programs for young talent, so as to ensure them managerial positions in a short period of time. In this way they will be stimulated to be part of the organization because they will see the opportunity for strong professional growth in the short period, an opportunity that even private companies are often unable to offer. This best practice is very widespread in the United Kingdom through the Fast Stream Program; it is necessary to take a cue and apply it in all public administrations that want the best skills within the public sector.

## **5. Conclusion: when is one model better than the other?**

Firstly, we can describe the cases in which one system is more effective than the other. Despite recent attempts to hybridize the two models, a clear distinction between the two is still present. There is not one solution that is always better than another but cases can be identified where one system is preferable over another.

First of all, a country has to prefer a career-based system when it wants to create a strong employee attachment to public work itself, to the desire to serve for one's country as one's only employment for the rest of one's career. As a result of the analysis, this system involves open-ended contracts for new employees, so it means that a person who wants to become a public employee is aware that he/she will pass his/her entire career serving for the country. This kind of motivation or pursuit is called Public Service Motivation and, nowadays, covers a relevant variable in selection processes and it is almost always assessed through interviews. We called this system as "closed system", so public administrations meet some problems when they want to change their staff because the majority of employees are bound for life to the organization they belong to. At the same time, this system stimulates less employee development because they know they have that job for life, and the cases in which they can be fired are very remote. The lack of innovative skills is a huge problem in the public administration:

- *Increases difficulty in digitizing the public sector:* digitalization is one of the most current and important issues for the public sector. There is the need to "digitalize" all the processes to recover efficiency and increase the effectiveness of public policies. One example can be given by the recruitment processes. Digital recruitment like e-recruitment is the most effective way to attract, recruit and select the best talent among the labor market. Without new skills about the new technologies it's difficult for the public organizations to use these kinds of tools. Likewise, this problem is linked to the high average age of public

employees. For example, the average age of civil servants in Italy is 50.6 years. They are attached to the civil service through permanent contracts, as mentioned above, and therefore cannot be replaced with younger employees when a contract expires because it will expire when they retire. Obviously, people who are 50 years old are less willing to acquire new skills and capabilities in the digital area than people who are 20 years old or who have just graduated. All this means a huge slowdown in the introduction of digitization in this sector, which, in turn, leads to a progressive deterioration in the quality of the public sector compared to the private sector and thus increases the gap already present.

- *Poor quality in assisting the private sector:* a lot of public institutions affect the work of private companies. From the more obvious central governments that also make policy for the public sector, to public enterprises that collaborate with private companies, ranging from energy sectors (such as A2A S.p.a. in Italy) to telecommunications (such as *Canadian Radio-television and Telecommunications Commission* in Canada). Indeed, public institutions affect private companies in direct ways (real services, financing, training and networking) and in indirect ones (infrastructure and regulatory functions of sectors and markets). Thus, as it's easy to imagine, if people who take decisions in public administrations do not have the right qualities and innovative ideas, private companies will also be affected very negatively in their activities. Nowadays, the lack in innovative skills can cause also problems in communication between the two sectors, in fact many times there is distrust by private companies in interacting with public ones because they are not deemed competent enough in some areas.
- *Difficulty in reacting reactively to changes:* due to the obsolescence of some knowledge and skills, sometimes public institutions face problems in dealing quickly with changes in the external environment. This is also a consequence of the strong rigidity of this system, which does not allow organizations to

change quickly but always follow time-consuming procedures<sup>18</sup>. At the same time outdated and obsolescent knowledge don't meet well with the problems that will arise in the future because they will not be able to give the appropriate answers.

- *Distrust by citizens in believing in public policies*: if the citizens of a country believe that public administrations are not competent they will lose trust in institutions. This leads to less use of the services offered by administrations with consequent deterioration in their budgets as well. A quick example: if a city's Metro does not run regularly due to a lack of capacity in management, citizens will prefer to use other means of transportation. This then leads to both a decrease in clientele but also the failure of public institutions to achieve their purpose such as ensuring adequate services and acting in the interest of the community.
- *Difficulty in recruiting the best talent*: today there is a strong competition in the labor market to capture and appropriate the best talents. In the previous analysis we understood how career-based systems use "uninnovative" recruitment methods that are far from the current labor market and fail to attract the best players in the market. It's very used among public institutions in a career-based system to recruit people through the publication of the notice of the competition on the "Gazzetta Ufficiale" and advertising it on their website. Only a few organizations started in the last years to face the labor market on social platforms like LinkedIn. All private companies use better practice to recruit and attract the best talents, from faster career advances, to more challenging jobs, and most importantly they are able to create much more effective Employer Branding. As explained by the CRTC's manager Trombetti Lilia, in Canada (position-based system) public institutions use a lot of platforms to meet the work demand and they adopt almost the same channel that private

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<sup>18</sup> Referred to "Weber bureaucracy"



companies use as well. In this way, even the public sector can reach the best talents and grow in skills and capabilities. The English *Fast Stream Program* and the American UsaJob are examples of how public administrations can use an active method of recruitment able to reach the right people at the right moment.

All these reasons create some issues for countries which adopt a career-based system. However, a nation who wants to help its own citizens struggling to find stable employment can use the civil service as a kind of "flywheel"<sup>19</sup>. Indeed, since the natural form of agreement is the permanent contract, it's used to increase the employment rate through public employment where there is a shortage of work offered by the private sector. In this way, the public administration can protect economic and social interests in the places most in distress and ensure a good job offer even in the places where it is most lacking. A true example can be given from the South of Italy where in the latest years public administrations hire a lot of new people to deal with labor shortages in the private sector.

Once seen advantages and disadvantages to adopt a career-based system we can now discuss the implementation of a position-based system. As defined before, it is an open-system: people can enter public employment in every moment of their career and can leave it as well. This mechanism favors the exchange of a lot of soft and hard skills, knowledge, capabilities and so on between the public and the private sector. Obviously, this stimulates the competition for the attraction of the best employees between the two sectors, so the public sector is pushed to improve its attraction and its *employer branding*. As we saw previously, recruitment is strongly decentralized therefore each public institution can act as it wants. It's a great upgrade for the effectiveness and the quality of their work, whenever a position becomes vacant they can start a selection process to find the right person to cover that job. In a career-based system, instead, the institution should wait for the creation of a larger gap, with

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<sup>19</sup> In order to create a wider job offer.

more vacant positions, to begin the public competition process, barring some exceptions determined by law. All this makes, in a position-based regime, the public system more efficient and timely to the needs of organizations. In a career-based hiring process the selection is more based on general features because organizations recruit people at the beginning of their career and then they will stay there for a lifetime job. So many times, some jobs are covered by people selected many years earlier and therefore may no longer have the most appropriate skills to fill that position. Instead, in a position-based regime, the selection is more specific and looks for the right person for a specific position in a given moment. For these reasons, public administrations are more prepared to face the environmental changes and the new challenges brought by changing times. The mobility between the two sectors is a relevant variable to consider. The exchange of competences improves, first and foremost, the information asymmetry between the two sectors, which instead should be completely transparent with each other. Then, a manager who has worked in both sectors will actually know the needs of both and so needs of the entire job market of a nation. A person who has the possibility to work in, for example, 10 years in both sectors will acquire a lot of skills that can make him better in all personal and professional aspects, so that every sector, institution or company can benefit from better human capital.

Then, from the interview with Dr. Trombetti, it's possible to see some practical way to act in a position-based system. First of all, she mentioned how the public sector is very competitive in hiring great talents in the first stage of their career. In the Canadian system, in fact, public institutions offer huge salaries (around \$60,000 CAD a year) also for the lowest hierarchical position, exceeding even the offerings of private companies. At the same time, employees start to accumulate bonuses over time, so as to try to keep the best workers within the organization. In addition to this, numerous training courses are provided, including through Master's degrees at prestigious universities. As we can see, all these tools improve the quality of an entire nation's staff, given also the high mobility between the public and private sectors.

As a consequence, citizens strongly trust authorities, theory also confirmed by my 4-month experience in Canada. From what I have been able to see, it can also be said that the availability and closeness of public services to their community is of a very high level, with high effectiveness in achieving their goals. Dr. Trombetti's helpfulness also did not go unnoticed, within a day of my request she was available to clarify and explain any interest I had in the Canadian public administration, reiterating her total willingness to help me in my work.

From a more practical point of view, the Canadian manager underlines how they are actually recruiting and selecting people. The possibility to choose autonomously the methods and principles to be followed involved in the HR tools allowed them to find the right people they were seeking for determined positions. They, in fact, reduced the gender gap within the organization, choosing to select people only within the most disadvantaged groups in previous years. These practices would not be allowed in a career-based system, tied strongly to a Weberian bureaucracy. In the same way, the decentralization of recruitment allows organizations to develop their own platform of recruitment. *UsaJob*, which highlights the importance of working for the nation, is one of the most significant examples. As well, the recruitment system of the *City of London* is able to reach all the potential candidates suitable for the position needed. Finally, the Fast Stream Program, that makes possible a faster career development of young talents, is able to attract the top graduates and also foreign talent strongly interested in public administration.

Another feature that seems an advantage for the position-based choice is the possibility to implement the spoil system whenever an institution wants. Indeed, in a career-based regime it's not possible a discretionary hiring from a politician, because it would mean an employee in a permanent position nominated by a person with a "fixed-term" cycle. Obviously, it is possible in exceptional cases regulated by law, as we saw in the previous chapters. Instead, in a position-based system, it's used to nominate people by the political level using fixed-term contracts. This is very useful to

align the level at which policies are made with the level at which they are actually realized and implemented.

However, this system also has some critical points. Firstly, public institutions cannot replace private labor supply and therefore cannot stably increase the employment rate in all areas where it would be needed. It therefore cannot act as a public "flywheel".

Then, the public sector is not characterized by a strong public service motivation. Employees do not have the stability of a permanent job, so in the majority of cases they divide their career between private and public companies. In this sense, workers have less interest in working for the community and thus are more focused on output than on outcomes. For this reason, one of the purposes of public administration is slightly seen to be crumbling, that of working primarily to serve a community.

In conclusion, it is possible to argue that a career-based model would be preferable in more distressed nations that need to find more stability from an employment and identity perspective. Similarly, it may be preferable in extremely stable contexts (very few states currently have this status), where the bureaucracy alone is able to respond to external shocks.

Instead, the position-based model would be preferred in systems that can drive more efficiency and do not need an improvement in the employment rate. In this way they can push for innovation and improvement of the already existing human capital and effective public-sector assistance to the private one. This would create a little more uncertainty regarding the stability of the work itself of public institutions (more fixed-term contracts) but would foster a great deal of interchange and improvement of staff skills, leading an entire state to sustainable development from work to culture, as can be seen in the social employment that Canada is pursuing through the civil service.

## **5.1 Lesson learned for Italy**

From all the discussion and the analysis, it's now possible to suggest some guidelines that can be implemented in Italy to make policies more effective and efficient. As a first suggestion, a primary goal of public administrations should be to introduce new social

capital with innovative competencies and knowledge into organizations. Likewise, as is being attempted in Canada, it is essential that new selection processes aim to reduce the social gap between various groups within our country. Favoring lesser social groups within organizations would certainly foster diversity and thus a wider spectrum of possible solutions in decision making processes. This would not only result in a higher quality of outputs and outcomes, but also achieve to a greater extent the goal of "acting in the interests of the whole community," which is typical of the public sector. The presence of innovative skills can make public administration more "contemporary" and better able to cope with changes in the external environment. It would also succeed in being more attractive to the best talents, because they would feel approached by an organization that is more advanced and not backward. This would only be possible through less rigid HR management systems, with greater decentralization of recruitment and selection processes. From the Canadian example, which is characterized by a highly decentralized public administration, we can learn how each organization is able to meet its own personnel needs by competing on equal basis with private companies because they are able to create ad hoc selection and recruitment processes to attract the skills and people they need. In this way, as Dr. Trombetti explained, they are also achieving high levels of diversity in their organizations because they are free to decide their own selection criteria and procedures. The "Fast Stream Program" is another practice to take a cue from: in Italy, too, programs for the rapid introduction of the best talent into public administrations should be fostered, assuring them fast career patterns and management positions in the short term. To ensure quality selection, above all, all public organizations should move to digital. Active recruitment procedures, including through e-recruitment, are the only way to conduct selection with high standards. As suggested in the discussion, the creation of an online portal where any user can clearly interface with all job openings presented by public institutions would be of crucial importance.

In the area of selection, there should be more focus on specific skills and not just checking general ones. Although the tasks of a person hired in public administration

may vary over the years, the introduction of specific skills can improve, first of all, the whole organization itself and, then, could identify a precise personal development path based on those skills, or training paths aimed at improving other specific skills not owned. To accomplish it, it should be necessary the introduction of new methods to select people. These can be: leaderless group discussion and/or group interview, as we saw in the Canadian model.

Moving to the remuneration system, since people enter the public sector at the beginning of their career, it's necessary to become competitive on the salary from the lowest hierarchical stage. We saw that in Canada, an entry level position ensures to pay \$60.000 CAD per year. If these pay levels will be reach in Italy, the public sector would become much more attractive to young talent than the private sector. However, even less (<\$60.000) amount of pay might be sufficient.

The career system affects strongly the success of the public sector. Many people are not attracted by public administration because they don't want to spend their entire career in the public sector. This means that improve the possibilities of mobility between the public and private sector can create huge benefits for both of them.

Finally, we can conclude that the Italian system should move closer to a position-based logic because it needs an increase in the efficiency and effectiveness of its activities. This does not necessarily mean abandoning the career-based perspective, because it would be very costly both in terms of money but especially in terms of time. In fact, our system should take a cue from international best practices and follow current reform trends, trying to grasp change as it happens and not remain rooted in the values of the past. A system in which both the position-based and career-based systems can converge would be the perfect compromise for our public administration.

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