



# National Conference on Human Resource Management - *Towards competency-based performance management for the Civil Service.*

28-29 November 2011, New Delhi



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## Context

The challenges of Human Resource Management for the Civil Services are increasing by the day in the context of the India's rising economic and political importance in the world, and the citizens' demands on governance systems and service delivery. The end of the centralized industrial licensing system coupled with the opening-up of the economy has resulted in the private sector undergoing a sea change in terms of its competitive behavior in the domestic and international markets. Indian companies are demonstrating their competitiveness among the best in the world across many sectors. However, the perception of a Governance deficit is proving to be the roadblock in the endeavour of the country towards an inclusive and just society with access to entitlements, provision of infrastructure, and fulfilment of rights for its 1.2 billion strong population.

During the last few years a series of policy initiatives for Governance Reform have been taken by the Government of India. Legislative measures such as the *Public Interest Disclosure and Protection of Persons Making Disclosure Bill* (Whistle-blower Bill), the *Lok Pal Bill*, the *Judicial Accountability Bill*, the *Public Service Delivery and Redressal of Public Grievances Bill*, and the *Civil Services Ethics and Code of Conduct Bill* are at the various stages of approval and finalisation.

Besides rights-based legislation, there is also a clear and perceptible shift from the conventional *command-and-control* oriented Personnel Administration to a *development-oriented* Human Resource Management (HRM) within the Government, recognising that "employees as people" needs to be the centre-piece of the Government's HRM policy. It is increasingly appreciated that in order to achieve better performance, HRM policies require more emphasis on the learning and development needs of employees while aligning organisational goals with employee goals.

## Present Situation

The present HRM systems comprise those inherited from the British Raj, with their attendant strengths and weaknesses, as also practices introduced during the last sixty years, since independence.

The characteristic features of the HRM system within the Government of India clearly indicate the gaps vis-à-vis the requirements of a contemporary civil service: A career-based Civil Service:

- a. Induction to the Civil Service conducted through an open system of competitive recruitment by a constitutional body (i.e. the Union Public Service Commission of India and the Staff Selection Commissions)
- b. Uniform and centralised pay and salary structures:  
System of rewards and punishment by and large regulated within the government organisation (resulting into it being largely ineffective);
- c. Seniority- cum merit-based promotions:  
Absence of incentive system to spur merit-based performance and ineffective mechanisms to counter non-performance;

d. Senior-levels centric capacity development systems:

While there is elaborate system of induction training, mid-career training, and in-service trainings in place for elite services, the vast majority of the employees of the middle and lower level bureaucracy are not covered. This causes a serious skills deficit among the front-line employees.

There is no gainsaying that the present HRM system has many gaps vis-à-vis the requirements of governance of the country. The existing HRM system is aligned with the traditional Public Administration orientation of government systems rather than geared towards the responsive governance requirements of the present.

The Indian Civil Service System is faced with key concerns in the following fundamental areas:

- A lack of competitive approaches combined with results-oriented performance management which could contribute to enhanced performance. Payments and promotions are a matter of routine.
- Absence of a clear incentive system that offers guidance for rewarding performance and for punishing non-performance.
- Lack of in-built systems to respond to the emerging challenges in governance on account of globalisation, persistent poverty concerns, and growing demands by citizens for quality service delivery and infrastructure.

However, the Government of India does recognise the limitations of the present HRM system and is keen to bring in the necessary changes to overcome the same.

### **GoI initiatives in strengthening HRM**

Amongst the important initiatives of the GoI during the last three decades in the realm of governance has been the shift from input and rule-based to results-based approaches. The Government has taken a number of policy initiatives, such as introducing performance budgeting, zero-based budgeting and, more recently, outcome-based budgeting. This gradual evolution towards result-based approaches is a positive indication of the beginning of a change process towards performance management. Concomitantly, there have been some changes in the performance appraisal systems of the Government, albeit for the senior levels of the All India Services Officers (AIS), towards an open performance appraisal system.

In pursuit of a result-based approach the GoI has undertaken a major initiative during the last two years in the form of a Results-Based Framework (RBF) for managing the performance of Ministries and Departments at the central level. The RBF requires every department to prepare a Results-Framework Document (RFD) consisting of priorities set out by the Ministry concerned. The corresponding success indicators (Key Result Areas (KRA) or Key Performance Indicators (KPI) and some time-bound targets to measure progress in achieving these objectives are also to be defined in the document<sup>1</sup>. While the exercise is in its early stages of implementation and learning, it indicates the beginning of a major shift in the approach towards performance management. Results-based approaches are recognised as an important pillar of Human Resource Management reform in the civil service. It helps in focussing efforts and also in providing guidance in managing performance of individual Civil Servants objectively.

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<sup>1</sup> The detailed approach and processes of this initiative can be accessed at <http://performance.gov.in/RFD.html>

## Competency-based approach to HRM

However, it is evident that the adoption of a result-based approach alone does not automatically lead to improvement in performance. A critical aspect of performance is the appreciation of performance standards and expectations by the various levels of management in the hierarchy of the government. It is an accepted fact that people perform well when they know what is expected of them and have the necessary knowledge skills and attitudes to meet the expectations. The critical attributes (knowledge, skills, and attitudes) of any job and the competencies (technical, functional, and behavioural) required to perform the job have to be clear a priori for effective performance. The centrality of job- related competencies has not been recognised in the personnel administration systems of civil services in most parts of the world. As a result many jobs that require specific competencies often get performed in a sub-optimal manner in many governments. GoI has also been experiencing this deficit in its civil service. Competency-based approach to HRM seeks to address this gap in a systematic manner. Just as results-based approach is an important pillar of Human Resource Management in the civil service, a competency-based approach is another important pillar which impacts all aspects of HRM systems. The following table explicates the concept<sup>2</sup>:

HRM activity	Use of the Competence Based approach	Level of intervention
<i>Task-based appointment</i>	Specifies the exact requirements of the role and gives criteria for selection	Enabling Environment (Policy/legislation)
<i>Pay and Rewards</i>	Gives basis for pay and grading (rewards)	Enabling Environment (Policy/legislation)
<i>Performance management</i>	Provides basis for managing performance, including feedback for improvement	Organisation/Individual
<i>Work rationalisation</i>	Helps identify priority jobs and optimise work load; process mapping	Organisation
<i>Human Resource Development</i>	Helps to identify performance gaps; training needs identification	Individual

The competence-based approach to HRM thus provides a basis for action for managers in the system. As can be seen from the table the interventions for actions regarding competency issues can emerge at three levels

- Enabling Environment (policies, legislation, power relations, norms)
- Organisational level (policies, procedures, frameworks)
- Individual level (skills, knowledge, experience)

In other words, initiatives for introducing a competency-based approach to HRM require a wide range of changes to existing systems and processes at different levels of decision-making and across functions.. Further, examples of competency-based HRM in the civil service are few and relatively recent which makes it an emerging body of knowledge and practice. It is therefore considered useful to understand the lessons learnt and experience gathered where the concept has been applied in practice. The planned national conference seeks to gain from the knowledge available with academicians, experts and practitioners in India and abroad across sectors.

<sup>2</sup> Adapted from “Unlocking the Human Potential for Public Sector Performance”, World Public Sector Report (2005), Department of Economic and Social Affairs, United Nations, New York

## **Conference Objective and Format**

The conference is expected to provide a context to discuss and learn about the knowledge and practice of competency-based approach to Human Resource Management in Civil Service. As discussed above, movement towards a competency-based approach necessitates sympathetic changes in various elements of HRM. Formulating policy for a competency-based HRM system and implementation requires knowledge of the Why, What, and How of the approach and its practice. Therefore, specifically the conference would seek to gain understanding of:

- The concept of a competency-based approach to HRM for the Civil Service, its advantages and disadvantages based on international and Indian experiences ;
- Policy challenges encountered by government and the private sector in applying a competency-based approach to HRM;
- Methodologies, including implementation arrangements, which have proven to yield results;
- Systemic changes that would be required to implement competency-based HRM in the Indian Civil Service.

An important output of the conference would be development of recommendations for policy makers on the key themes that would emerge from the discussions in focus-groups. The conference will endeavour to establish linkages to the ambitions and efforts of the Government of India which are made outside the Human Resource arena to enhance the performance of public administration.

The conference agenda will be organised as a mix of (1) plenary sessions which will lay the foundation of discussions (i.e. opening session, closing session, pressing issues and concerns), (2) breakout sessions in which topics are discussed in more depth (i.e. current bottlenecks, endeavours of reform, suggested solutions) as well as (3) working groups in which participants will discuss the application of good practices to the situation. The discussion findings/recommendations of the working groups would be presented in the (4) closing session of the conference.

The conference will be carefully documented (presentations and discussion outcomes) and followed up by a consultation between DoPT, UNDP and a few expert-practitioners to determine the way forward as well as potential follow-up under the Pathways for an Inclusive Indian Administration (PIIA) Project.

## **Target Group**

The implementing partner Department of Personnel and Training (DoPT) / Ministry of Personnel, Public Grievances and Pensions (MoP) and the United Nations Development Programme (UNDP) would be jointly hosting the conference. In order to bring in a broad spectrum of local and international practices, the hosts would reach out to reputable institutions and experts in India and abroad to source speakers for the conference.

The conference will bring together officials dealing with Human Resource Management (HRM) functions in the Central Government and State Governments (General Administration Departments, Administrative Training Institutes), as well as representatives from the Cadre Controlling Authorities for various Government Services (e.g. Audit & Accounts, Railways, Revenue, Forests, etc.). The conference is planned to have a total participation of approximately 70 individuals, including experts and practitioners with demonstrated leadership in the HRM field who can offer solutions with a potential for application in the Civil Service from Australia, Canada, India, Singapore, South Africa, the UK and the Western Balkans. International

speakers will be presenting how their respective Governments have addressed HRM using competency frameworks, highlighting lessons-learnt, innovations and practical solutions.