



Support to the anti-corruption strategy of Azerbaijan (AZPAC)

**Technical Paper on the Draft Regulations for Evaluating the Performance
of Civil Servants, drafted by the Civil Service Commission of the Republic
of Azerbaijan**

By Quentin Reed (United Kingdom)

PC -TC (2008) 20

Support to the Anti-corruption Strategy of Azerbaijan (AZPAC)

A project supported by USAID and implemented by Council of Europe in cooperation with the Commission on Combating Corruption of Azerbaijan

TABLE OF CONTENT

I	Introduction.....	4
II	Background and Summary of Regulations.....	4
III	Comments.....	5
IV	Summary recommendations.....	6

For more information, please contact:

<i>Technical Co-operation Department Directorate General of Human Rights and Legal Affairs Council of Europe 67075 Strasbourg CEDEX France</i>	<i>Tel: + 33 3 88 41 23 54/+33 3 88 41 29 76 Fax: + 33 3 90 21 56 50 Email: lado.lalicic@coe.int</i>
--	--

This document has been produced with the financial support of the USAID. The views expressed herein can in no way be taken to reflect the official opinions of the European Union and of the Council of Europe.

I Introduction

This opinion was drafted as part of ongoing interaction between the Council of Europe's Long-term Adviser for its AZPAC project, Quentin Reed, and the Civil Service Commission of the Republic of Azerbaijan. The purpose of the opinion is to briefly evaluate the Regulations for Evaluating the Performance of Civil Servants drafted by the Civil Service Commission of the Republic of Azerbaijan.

The civil service legal framework of Azerbaijan (Civil Service Law Article 31) currently retains attestation procedures for civil servants, conducted not more than once every five years by an attestation commission. These procedures are largely inherited from the former Soviet system of public administration, and are widely acknowledged to be outdated and unsuited to a modern civil service framework.

The introduction of a framework for evaluating the performance of civil servants is a vital component of public administration reform, and will be a necessary complement to other ongoing reforms such as reforms of the civil service salary system, which are currently being drafted in cooperation with the World Bank and will *inter alia* include provisions that envisage performance-related pay. The expert therefore regards the draft Regulations as an essential step and recommends their formal adoption, taking into account the comments and recommendations provided in this opinion.

II Background and Summary of Regulations

The Regulations envisage that the performance of each civil servant from 6th to 9th grade will be evaluated by his/her direct supervisor at the end of each calendar year. Civil servants are to be given a mark from 1 (excellent) to 4 (not satisfactory) for each of seven criteria:

1. Professional knowledge
2. Attitude to official duties
3. Analytical, problem solving and decision making skills
4. Creativity and initiative ness
5. Work discipline
6. Work experience and sharing it
7. Ability to work in a team, sociability, relations among staff members

Managers within the evaluated grades are to be evaluated according to these same criteria plus four additional ones:

1. Analysis and forecasting
2. Administration
3. Skills for influencing and inspiring in a team
4. Team-building skills

Performance appraisal systems for civil servants may in a very general manner be classified in terms of where they fit on a continuum between two broad types:

- 'Traditional' performance evaluation systems, in which all civil servants are evaluated according to standardised sets of criteria.
- 'Target-based' performance evaluation systems, in which each civil servant is evaluated according to the fulfilment of his/her specific tasks.

Performance evaluation systems in Western democracies have been following a tendency in recent decades to shift from 'traditional' towards 'target-based' systems in which specific targets are developed by and for each civil servant for the relevant period (generally annually) and evaluation is conducted of the fulfilment of those targets. At the same, it is increasingly common for systems to include performance-based remuneration, where a component of civil servant pay is determined by or linked to the results of their performance evaluation.

III Comments

1. The purpose of evaluation of a civil servant's performance is described as to assess "how s/he managed his/her duties, met the requirements of the position s/he held during the year and determining the future development of the civil servant". The expert feels that this description is perhaps insufficiently clear and/or does not reflect the actual content of the performance evaluation form. In particular:

- i) It is not clear exactly what is meant by 'the requirements of the position s/he held during the year'. The 'requirements of the position.. during the year' would naturally appear to mean the tasks (targets) the civil servant had to fulfil in that year. However, the performance evaluation form envisages evaluation *not* on the basis of fulfilment of targets but on the basis of general criteria; nor to the expert's knowledge is there any established process for defining and recording targets.
- ii) It is not clear how the results of performance evaluation are to be used – for example to determine promotion and/or influence. While Article 22 of the Civil Service Law envisages civil servant salaries to be determined according to rigid rules, Article 24.1 provides for 'meritorious service' of civil servants to be rewarded, although the procedures for such awards are to be 'determined by legislation' that does not yet exist. Article 31.14 envisages that attestation commissions may propose rewards such as changes in salaries or the inclusion of civil servants in a reserve list of promotion. However, on the assumption that performance evaluation regulations should replace the old system of attestation, the expert recommends that the Civil Service Law is amended to include provisions on performance-related pay, and also provisions that envisage performance evaluation as one of the criteria determining promotion.

2. Is it unclear why only civil servants from 6th to 9th grade are to have their performance evaluated. In particular, where subordinate civil servants are to have their performance evaluated, it is unclear why there is to be no evaluation of superiors. In countries where performance evaluation is established, evaluation of superiors by subordinates is common and contributes to the legitimacy of the performance evaluation system. The arguments for having such evaluation are strengthened where there is reason to believe that superior civil servants may not always be of the necessary quality or integrity.

3. There are 7 criteria by which civil servants are to be evaluated, with an extra 4 criteria for managers. The number of criteria appears to be high in comparison with performance appraisal forms in other countries, and the evaluation template as a whole may be described as a 'complex traditional system'. The expert wishes to underline a number of likely problems or difficulties in the implementation of such a system:

- i) Although the regulations include a short elaboration of each of the criteria, the application of the criteria in practice will be highly subjective unless much more detailed guidelines are provided to those conducting the evaluation. For example, it is not immediately clear how managers evaluate on a numerical scale categories such as 'creativity and initiative', 'work experience and sharing it' or 'ability to work in a team, sociability, relations among staff members'.

- ii) Even if such guidelines are provided, the experience of Western democracies and decades of performance evaluation suggest that traditional systems of evaluation (of which the Regulation is an example) tend to become perceived by both superiors and subordinates as a burdensome task rather than a useful tool, leading to a situation where evaluations are conducted only formally and in such a way as to minimise the workload.
- iii) Western experience also suggests that such evaluations are also conducted in such a way as to minimise conflict – that is, evaluation results tend to be similar and positive.
- iv) On the other hand, the subjectivity of the evaluation criteria also provide clear possibilities for abuse of the system by the superiors conducting evaluations, especially if evaluations can be used to impose sanctions such as reduced pay, demotion or even dismissal. Senior CSC staff stressed that the regulations are hoped to function more as a positive means of determining promotion and as a tool for identifying gaps in training and knowledge, rather than as an instrument for sanctioning civil servants.
- v) The Regulations do not contain any specific clause guaranteeing the confidentiality of civil servants' performance evaluations.

IV Summary recommendations

In the opinion of the expert, implementation of the current Regulations for evaluating the performance of civil servants is likely to be problematic. For any system of performance evaluation to work effectively, a number of conditions must be met. One of the most important of these is that job descriptions and tasks are clearly defined. The more effective performance evaluation systems in western democracies appear to be those that are based on evaluation of the fulfilment of individual targets, and are combined with a process that involves civil servants in the definition of their own targets. Such a system demands extensive if not fundamental changes in working practices and relations between superiors and subordinates, and it is therefore logical that the draft Regulations envisage a more traditional performance assessment model. For this model to function however the expert recommends the following:

- It is vital that the system is made as simple as possible at the beginning, and it is therefore recommended that the CSC considers reducing the number of assessment criteria.
- The criteria of performance assessment should be defined in more detail with guidelines on how to apply them in practice.

In the light of these comments, the expert hopes that the training to be provided by foreign experts within the framework of the AZPAC project will provide more detailed assistance on how to develop an effective model of performance evaluation.