

Foreign Experience in Improving the Incentive System in the Civil Service

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Abstract: This article provides a scientific and theoretical analysis of the problems and reforms being implemented in the field of public civil service in the Republic of Uzbekistan. The experience of modern foreign countries is studied, the procedure for motivating public civil servants within the framework of foreign models, the legal basis, and the essence of their implementation in our country are studied.

Key words: Development, strategy, public civil service, incentives, performance indicators, effectiveness, training, remuneration, national rating, personnel, continuous training, employee, goal, assessment.

In recent years, our country has implemented measures aimed at improving personnel policy in public administration, strengthening the legal framework of the state civil service, and critically reviewing the activities of civil servants and the entire system. Ensuring the implementation of priority goals and tasks related to enhancing human dignity and building a people-oriented state in the Development Strategy of New Uzbekistan for 2022–2026 requires further increasing the efficiency of state bodies. Against the backdrop of systemic reforms being carried out in our country in this regard, the Law of the Republic of Uzbekistan “On State Civil Service” was adopted. The adoption of this law serves as a solid legal foundation for the full implementation of the principle that “The people should serve the state bodies, not the state bodies”¹. In this regard, it is of urgent importance to establish a clear limit on the incentive measures applied to civil servants, to establish the legal basis for incentives for civil servants for their special services and to create an effective mechanism for their non-material incentives. In this regard, in this article, we will consider the specific aspects of incentives in the civil service in foreign countries.

It is worth noting that in some foreign countries the system of financial support for civil servants is focused on the level of wages of employees in the commercial sector of the economy. In other countries, wages in the civil service are much lower than those of employees in the private sector of the economy. However, these countries attach great importance to social protection of civil servants in order to ensure a decent standard of living that corresponds to the standard of living in the country and corresponds to the socio-economic situation of civil servants. While in some foreign countries the system of wages and labor incentives is focused on the results of work performed by civil servants, in other countries the wages of civil servants are practically independent of their results. Some foreign countries have a more flexible system of financial incentives for civil servants, while others have a rigid system of remuneration and social security measures.

Nevertheless, in most foreign countries, civil servants strive to ensure economic and social independence and a decent standard of living corresponding to the standard of living in the country and their social status, as well as to compensate for the growing demands and limitations associated with the specific features of civil service. In this regard, in most civilized countries, a civil servant is considered a representative of the state and society, a defender of their rights and legitimate interests.

¹ <https://argos.uz/oz/press-center/news/473>

For some foreign countries, the civil service has the greatest authority and prestige compared to other sectors of the economy. For example, in Japan, India, and China.

The civil service in China has a number of unique characteristics. First, civil servants are divided into 7 categories, that is, in addition to administrative organs, civil servants include employees of various committees, parties, and the entire China Federation of Industry. Second, civil servants in China follow four principles, which are the party's management of personnel, openness, justice and competition, the use of simultaneous incentives and punishments, and the most important principle is to rely on their professionalism and moral qualities when selecting personnel. Also, one of the advantages of the Chinese civil service system is the preservation and observance of traditions. This has an encouraging effect on civil servants, because in China most citizens respect traditions and customs, and also enhance the reputation of civil servants in the eyes of the public. In addition, the rights of Chinese civil servants are clearly defined, the violation of which leads to negative consequences. Such rights include: decent wages, a social package and insurance. Also, both individual and collective work is encouraged for civil servants. The main result of the activity is considered for incentives. Also, a system of additional education has been created for civil servants occupying various levels of positions, which ensures the improvement of knowledge, skills and qualifications. In addition, a system of benefits, insurance and measures has been developed to ensure the well-being of civil servants and their families after retirement².

The latest trend in the remuneration of foreign civil servants is related to the payment of labor based on specific results. Incentives are taken into account not only individual results, but also the results of collective activities. This approach encourages the full use of the physical and intellectual abilities of civil servants. However, it should be taken into account that in some civil service positions there is no way to determine the result, and in those positions where it is possible to do so, the indicators by which it is possible to measure efficiency often contradict the mission and goals of state institutions, and the indicators, rather than the efficiency of employees, play a significant role.

In general, several administrative-legal models of civil servant incentives can be distinguished, which can be divided depending on a specific legal system:

- a) the Anglo-Saxon legal model of civil servant incentives;
- b) the Roman-Germanic model of civil servant incentives;
- c) the East Asian model of civil servant incentives.

It should be noted that in foreign countries the institution of rewarding and motivating a civil servant is often associated with the establishment of fixed monetary benefits. For example, there is a certain tradition among civil servants of motivating with the highest possible salary, which can eliminate the corruption component. At the same time, bonuses are usually not provided or are very limited. In particular, Singapore is one of the countries that is suitable for such a system of motivating civil servants.

At the same time, in a number of countries, excessive incentives and rewards for officials are often associated with the corrupt component of the civil service. A striking example of this is the United States, which by law provides that any civil servant is not entitled to receive gifts if their value exceeds \$ 200. It does not exclude the receipt of gifts as a reward for selfless service by a civil servant or for other significant contribution to a specific field of activity in which the civil servant is directly engaged. At the same time, those who reward a civil servant should not be interested in his influence.

² Tsao, King K. and Worthley, John Abbott, "Chinese public administration: change with continuity during political and economic development", *Public Administration Review*, Vol. 55, No. 2 (1995), pp. 169

If a civil servant receives an award or gift worth more than \$200, he or she must apply for special permission from the employee in charge of business ethics in his or her department.

In our country, serious reforms are being implemented in the procedure for receiving gifts by civil servants. In particular, according to the Regulation on the value of gifts that may be received by civil servants in connection with business trips, international and other official events, as well as the procedure for their disposal, approved by the order of the Director of the Anti-Corruption Agency of the Republic of Uzbekistan, if the value of the gift is determined to be equal to or not more than 4 (four) times the base calculation amount, the gift is left with the civil servant and is disposed of by him at his discretion. In this case, the department shall issue a certificate of receipt of the gift to the civil servant. If the value of the gift is determined to be more than 4 (four) times the basic calculation amount, the gift shall be entered into the balance sheet of the state body by the finance and economic department³.

It should be noted that the legal model of motivating civil servants, formed and further developed in continental European countries, has a number of its own characteristics: Firstly, the system of financial incentives itself is closely related to the state of the state budget system and state revenues, and secondly, the financial incentives of civil servants are directly related to the assessment of various individual components of a civil servant, only those that are available for objective and general analysis are taken into account. For example, work experience, career proximity, harmful working conditions, and others are taken into account. These indicators directly affect pension benefits, wages, the number of special social benefits, and others.

Analyzing various models of administrative management, English researchers K. Polit, T. Booker drew attention to the most developed systems of motivating civil servants in France among the countries of the Romano-Germanic legal system. It should be noted that in this country, as in any other, there are problematic aspects associated with the effectiveness of administrative management, which does not prevent us from noting the positive aspects of the features of measures used to motivate civil servants.

Thus, often the reforms being implemented inevitably change the working conditions of civil servants, their powers and functional goals. Therefore, any idea of reorganization in the field of material and non-material incentives should be considered very critically, based on the objective consequences described above.

In France, the most common methods of promotion are promotions and salary increases, while other types of incentives are not regulated by law, but are allowed. It should be noted that in France, the increase in the salary of a civil servant is most often not associated with a change to a new position. Such an incentive measure is associated with official status, title, position and certain functionality, as les fonctionnaires (the so-called personal financial incentive). Bonuses in the amount of 10% of the salary are usually given for work, the difficulty of the work performed, as well as for certain skills.

It should be noted that almost every government institution in France has its own system for interviewing civil servants, and the criteria for determining their professional value are not clearly defined.

Among the types of incentives for civil servants, moral rewards are often distinguished. Thus, in France, civil servants can be awarded a medal of honor for many years of conscientious service, which can be at the national, regional or municipal level.

Civil servants awarded this award will receive a diploma that reflects information about their services, as well as the grounds for the award. It should be noted that such a diploma is awarded at the end of

³ Qonunchilik ma'lumotlari milliy bazasi, 13.03.2023-y., 10/23/3425/0138-son.

civil service, but nevertheless plays an important role as a morale booster for retired officials. The reason for receiving such an award is the professional qualifications of the civil servant. French administrative law provides for the possibility of withdrawing awards from a civil servant if he has committed actions that bring discredit to the service, for example, if he has committed a disciplinary offense that entails a specific penalty. Analyzing the features of motivating and rewarding civil servants in other countries of the Romano-Germanic legal system, it should be noted that the incentive system in Italy and Spain has many common features with the French model.

For example, in Italy there are regulations on bonuses for the work of civil servants, as well as bonuses for the position of a civil servant and his efficiency. At present, the Italian model of motivating civil servants cannot be called sufficiently developed, however, the principle of motivating quality work and the principle of regular assessment of the competence of civil servants are established by law and are systematically used in rewarding and motivating civil servants⁴.

In Spain, the civil service performance appraisal system allows each ministry and department to establish its own mechanisms for evaluating the performance of officials. Officials are awarded a bonus for their work performance, which is common in central organizations, as well as for civil servants at the local level⁵.

The existing system of incentives and rewards in Uzbekistan has its significant shortcomings compared to the system of incentives for civil servants abroad and often does not meet the requirements of rapidly developing state-legal relations. However, it should be noted that any idea of reorganization in the field of material and non-material incentives must be critically examined, taking into account its objective consequences, for example, the human factor, established traditions of public administration. Based on the above, it is important to use the positive trends in the regulation of incentives provided for in French legislation in creating an internal system for assessing the efficiency and rating of a civil servant.

At this point, let's analyze incentives in the state civil service from the point of view of the legal system. The Anglo-Saxon legal system has its own characteristics in terms of legal regulation of the application of incentive measures to state civil servants. In particular, the rules governing the civil service in Great Britain, Canada, and the USA are not combined in a single law, but are enshrined in a number of regulatory legal acts. For example, in the UK, the Act on "Official Secrets", the Act on "Ministers of the Crown", which regulates the powers of certain categories of civil servants, the Act on "Official Relations", which establishes general criteria for passing the stages of the civil service, and the Act on "Remuneration", which finances the activities of civil servants, are examples of this. In Canada, in addition to the Act on "Public Service" of 1908, there are laws on employment in the Public Service, financial management, labor relations in the public service, official secrets and pension provision of 1967⁶.

The second approach, which is used in countries such as Germany, Italy, and France, which are part of the Romano-Germanic legal system, is characterized by the adoption of a single special law on civil service. For example, the Law "On the Rights and Obligations of Officials" (France), the Law "On the Rights of Officials" (Germany), the Law "On the Civil Service" (Italy), and others.

It should be noted that each of the above approaches has its drawbacks, and these countries have been actively working on civil service reform since the 1970s.

⁴ T.Federico The Italian civil service system // https://www.researchgate.net/publication/264895592_The_Italian_civil_service_system

⁵ M.José The Spanish civil service and the new personnel statute// https://www.researchgate.net/publication/316622502_The_Spanish_civil_service_and_the_new_personnel_statute

⁶ <https://www.canada.ca/en/public-service-commission.html>

Countries with both legal systems are implementing reforms in broadly similar areas: exchanging experiences between different models of civil service systems; simplifying the civil service system; developing laws that form a single system for civil service; and incorporating such laws into the general system of national legislation.

As a result of the above reforms, the "third way" model of legal regulation of the civil service is currently being introduced. This model is observed in the CIS and Eastern European countries⁷.

This approach combines the positive aspects of public law and private-law regulation of the civil service. This includes ensuring its compatibility, avoiding the one-sidedness of the public-law approach, and including issues effectively regulated by labor law.

In many countries, one can see attempts to reconsider the system of incentives for civil servants from the point of view of increasing the efficiency and quality of public services. Such initiatives began in the United States in the 1970s with attempts to reduce paperwork and bureaucracy, in the 1980s with the transfer of state functions to the private sector, and in the 1990s with the development of "small government".

Many countries have implemented reforms to increase the efficiency of civil servants, based on the US experience, through market economies and privatization processes.

In order to attract qualified personnel to the civil service, many countries have reformed their salary systems. Countries that have attempted to reform their civil service pay systems include Italy, Denmark, the Netherlands, Spain, New Zealand, the United Kingdom, Sweden, and the United States. Later, France, Germany, Switzerland, and a number of Eastern European countries (Hungary, Poland, the Czech Republic, and Russia) followed suit.

These reforms have a number of common reasons:

1. The need to expand the civil service with highly qualified employees, as well as to retain them (in many European countries, in the 90s, salaries for civil servants were 1/3 of the salaries in the private sector).
2. The need to introduce a system of incentives for civil servants without bureaucracy. This was due to the fact that salaries were determined by the system of seniority and the level of education received.

Depending on the degree of autonomy of the executive authorities in determining the salaries of civil servants, centralized (France, Germany, Portugal, Spain), decentralized (Great Britain) and mixed systems (Netherlands, Italy, Denmark, Finland, Ireland, Sweden, USA, Canada) are usually distinguished. The Ministry of Finance also controls salaries, but the degree of decentralization is not expanding. The amount of salary is determined by the head of a particular body within the limits set by the Ministry of Finance.

The most decentralized system of the above countries is the United Kingdom. In this system, pay is linked to responsibility and the manager is responsible for implementing policies towards employees. A similar system exists in Australia. In these countries, the incentive system is regulated on the basis of the Laws "On Public Services" and "On Workplace Regulation"⁸.

The level of decentralization is lower in Italy and the United States. According to a law passed in Italy in 1983, wages are set by eight sub-sectors (universities, ministries, etc.), each of which is subject to labor market constraints.

Countries such as Pakistan, India, and Sri Lanka prefer a method in which the amount of wages is determined by the executive branch based on the recommendations of specialized commissions.

⁷https://www.norma.uz/raznoe/analiz_opyta_pravovogo_regulirovaniya_gosudarstvennoy_slujby_zarubejnyh_stran_i_predlozheniya_po_ego_uchetu_pri_podgotovke_zakonoproekta_o_gosudarstvennoy_slujbe

⁸ J. Halligan. The Australian civil service system. University of Canberra. Pp. 10-11.

There have also been attempts to introduce a performance-based compensation system in many OECD countries (except Finland and Denmark). However, only Denmark, Korea, Finland, New Zealand, the United Kingdom and Switzerland have succeeded in implementing it. Performance-based compensation is seen as a means of optimizing internal processes (in explaining tasks, setting goals, for teamwork, etc).

The performance-based pay system has undergone significant changes since the early 1990s. In Germany, the system has become less formalized and more subjective. Bonuses have been reduced to 20% for managers and 10% for employees, and collective bonuses have become the norm.

Today, special benefits for civil servants are on the rise. Good examples of such benefits include benefits for families with many children in Brazil, housing benefits in Mali and Kenya, and benefits for obtaining a diploma in Bulgaria. Representation expenses are taken into account for senior positions (Kenya, Nigeria, Benin, Sudan, Pakistan) and benefits are paid to new employees in Germany (in the amount of 10% of the basic income if there are personnel problems).

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