

More efficient civil services in times of economic recession and beyond: *can a flexicurity approach help?*



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Every country in Europe is aware of the dangers that globalisation, demographic change, workforce ageing and other worldwide challenges can potentially bring to their doorstep in the near future. At the same time there are a lot of challenges that need to be solved right now and right here, for example actions to be taken to overcome the economic downturn. How can policy makers deal with both issues? This article examines the possibilities of the flexicurity approach being used to deal with such public administration dilemmas. It describes how the implementation of flexicurity components in public administrations in European Member States is linked to the main tendencies in their restructuring processes and their response to the current economic crisis. A difference is thereby made between short-term reactions and long-term strategy to enhance a new balance between flexibility and security in public administrations in Europe. Next, a preliminary positioning of the Member States on the flexicurity scale is presented with regard to the contractual arrangements for their national public administrations. Finally, main labour market trends and conclusions for the future are drawn.

Introduction

Globalisation and changing labour market trends bring new challenges for culture, values and ethics in European public administrations. Besides this, new generations and longer working elderly generations ask for other, different work-life combinations, lifetime learning and working time arrangements. These trends, combined with other demands of stakeholders for products, services and citizen-involvement, have to be part of a future-oriented strategy of each public organisation.

In addition, the current economic recession to all sectors and labour markets. All national, sector and organisational level policies focus on short-term solutions – how to solve current issues. People look up to their national governments for a strategy, a solution for how to survive the economic downturn. Often the public sector and its employees, e.g. in healthcare, education and public

administration sectors, as well as the most vulnerable groups, such as the elderly, young graduates and unemployed, are hit the hardest. All these groups suffer from a decreasing state budget and dismissals in the name of saving costs.

Every country is looking for appropriate instruments with which to face the current and future challenges, i.e. by making labour markets more adaptive to quick changes. Integration of a flexicurity concept (a balance between flexibility and security) in a government's policies can be helpful in developing sustainable labour market strategies, and therefore avoiding such situations as inflexible staff or high levels of unemployment. This article will deal with the issue of how new balances between flexibility and security can be sought in public administrations by using different elements of flexicurity (see the Flexicurity matrix in table 1)¹.

The Flexicurity approach

The flexicurity approach was introduced into European policies through the European Commission's 2007 communication "Towards Common Principles of Flexicurity: More and Better Jobs through Flexibility and Security"². The flexicurity concept emphasises the flexibility of labour markets and within organisations, whilst at the same time ensuring secure transitions for employees from one job position to another, internally as well as externally.

What is flexicurity?

The flexicurity approach is an integrated strategy, constructed for handling different types of challenges in organisations and the labour market, and therefore can also be adjusted to specific problems raised by the current economic crisis. The flexicurity concept emphasises the flexibility of labour markets whilst ensuring a secure transition for employees during their lifetime: from school to work, from one job or position to another, between unemployment or inactivity and work, and from work to retirement. Security is more than just job security: it is about enabling people to progress in their working life, helping them to find new employment; it is about adequate unemployment benefits to facilitate transitions and about life long training opportunities for all employees. It must be kept in mind that this concept refers to external, as much as internal flexibility and security.

The Flexicurity matrix by Ton Wilthagen³ (see table 1) consists of four flexibility elements: *external numerical, internal numerical, functional* and *labour cost/wage flexibility*, and four security elements: *job, employment, income* and *combination security*. Each of the elements contains several further indicators which help to describe the labour market situation more precisely as flexible or secure. The flexibility and security elements can be used separately or in combination with each other in order to reach the necessary policy mix for a particular country's labour market situation. The Flexicurity matrix illustrates different trade-offs between forms of security and flexibility. For example, accepting less job security can be balanced by providing other forms of security instead, for instance income or combination security and thus increase the transition security.

From job security to other security types

The flexicurity concept differentiates between four types of security: job, employment, income and combination securities. *Job security* means protection against dismissals and major changes in employment and working conditions. It is one of the most traditional and least flexible forms of security, and also the most common in public administrations. In terms of flexicurity this is the type of security that should be avoided if possible, as it makes the labour market very rigid and inflexible. With the introduction of more flexible forms of contracts and a labour force better fitting the needs of the labour market, job security should be decreased to a minimum and replaced by, or supplemented with, employment, income and/or combination security.

Employment security refers to the degree of certainty a worker has to remain in work, even if the worker does not necessarily stay with the same employer. This means

equivalent vacant jobs, training and work-to-work transitions, guaranteed by the employer in cooperation with the State or other employers. This offers the employer the possibility of adjusting better to changing market demands, whilst at the same time guaranteeing employment for the employee.

The main methods of ensuring employment security are active labour market policies, increasing the notice period before dismissal to allow the employee more time to find a new job, reintegration and lifelong learning. Introducing more programme and project work and less specific job descriptions can increase internal flexibility. Very few European countries have used these methods in public administrations so far.

Income security relates to the protection of income in case of such occurrences as illness, unemployment or maternity, which may all involve a break in paid work.

Table 1: The Flexicurity matrix

Flexibility	Security	Job security	Employment security	Income security	Combination security
External numerical flexibility		<ul style="list-style-type: none"> Types of employment contracts Employment protection legislation Early retirement 	<ul style="list-style-type: none"> Employment services / ALMP Training / life-long learning 	<ul style="list-style-type: none"> Unemployment compensation Other Social benefits Minimum wages 	<ul style="list-style-type: none"> Protection against dismissal during various leave schemes
Internal numerical flexibility		<ul style="list-style-type: none"> Shortened work weeks / part-time arrangements 	<ul style="list-style-type: none"> Employment protection legislation Training / life-long learning 	<ul style="list-style-type: none"> Part-time supplementary benefit Study grants Sickness benefit 	<ul style="list-style-type: none"> Different kind of leave schemes Part-time pension
Functional flexibility		<ul style="list-style-type: none"> Job enrichment Training Labour leasing Subcontracting Outsourcing 	<ul style="list-style-type: none"> Training / life-long learning Job rotation Teamwork Multi-skilling 	<ul style="list-style-type: none"> Performance related pay systems 	<ul style="list-style-type: none"> Voluntary working time arrangements
Labour cost / wage flexibility		<ul style="list-style-type: none"> Local adjustments in labour costs Scaling / reductions in social security payments 	<ul style="list-style-type: none"> Changes in social security payments Employment subsidies In-work benefits 	<ul style="list-style-type: none"> Collective wage agreements Adjusted benefit for shortened work week 	<ul style="list-style-type: none"> Voluntary working time arrangements

Source: Wilthagen, T., Tros, F., *The concept of 'flexicurity': A new approach to regulating employment and labour markets*, TRANSFER – European Review of Labour and Research, 10(2), 2004

It refers to the risk of not being able to maintain the same standard of living in the event of non-employment. The main methods of ensuring income security are unemployment compensation, sickness benefit and paid leave.

The Danish model is an example of high-income security where unemployment benefit is high and guaranteed for everyone. At the same time in Denmark, high-income security is combined with active labour market policies (ALMP) and lifelong learning programmes, to facilitate the unemployed to find new employment as soon as possible.

Combination security is associated with the opportunity for workers to combine paid work with their private life and social responsibilities, such as family duties or recreational activities. Combination security refers to the risk of not being able to reconcile work and family life.

Restructuring in public administrations

In a changing public environment public organisations also have to change and restructure in order to be able to satisfy new customers' needs. Citizens are considered the customers of public administration services. In several Member States the special status and role of civil servants in regard to labour market regulations have been abandoned, but in most European countries, civil servants still have the privilege of specific employment conditions, granting them lifelong employment and special social security guarantees.

Legal Status of Civil Servants

Member States have chosen different reform paths due to different historical backgrounds and administrative traditions. One of the most important elements determining specific employment conditions of civil servants is the type of employment system. Career-based employment systems normally assure more protective terms of employment for their civil servants (giving more job security), whereas two situations arise for position-based (and hybrid) systems: either greater flexibility is favoured thereby providing less employment protection for civil servants; or flexibility and security are more or less balanced. The last is only the case in Nordic countries, e.g. Denmark, Sweden and Finland. See table 2 for country groupings in employment systems.

Table 2: The Member States with career-based, position-based and hybrid systems⁴

	Career-based	Hybrid	Position-based
Member States	Austria Belgium Cyprus France Germany Greece Ireland Luxembourg Portugal Romania Spain	Bulgaria Hungary Italy Latvia Lithuania Malta Poland Slovakia Slovenia	Czech Republic Denmark Estonia Finland Netherlands Sweden United Kingdom

Source: Kuperus, H., Turchetti, C., Rode, A., *Recruitment and Equal Opportunities Systems in National, European and International Civil Services*; European Parliament, Policy Department for Citizens' Rights and Constitutional Affairs, November 2008

For example, while in Denmark most of the provisions for civil servants, such as contracts and pay, are the same as in the private sector, civil servants in France are still a well protected group with lifelong employment contracts. But also in more traditional civil service system like France, the change process is beginning by slowly introducing more fixed-term contracts for special groups of employees.

Retirement Regimes

Restructuring also affects the special retirement regimes existing in many public administrations. The general trend is a change away from benefit-defined systems with a fixed retirement age towards modern contribution-defined systems that ensure portability and improved flexibility with regard to retirement age. In view of long-term scarcity of employees, some countries have raised the retirement age and make early retirement options less attractive. Therefore, the unemployment of young graduates is rising tremendously at the moment. In some other public administrations early retirement policies still exist. Especially in times of economic recession, early retirement policies can help to generate a short term increase of general employment.

Choosing between short-term goals and long-term outcomes

The nature of short-term policy making

Most often governments' policies focus on short-term results instead of long-term vision, e.g. what will be the labour market needs in 10-15 years time. During economic recession governments support early retirement, face high unemployment of young university graduates, reduce the number of civil servants and/or their salaries and initiate other policies that make budget costs, all of them often neglecting future competitiveness and challenges, like demographic changes and the aging of global society, or migration trends and staff shortages in certain economic sectors. A lot of these decisions are based on the short-term nature of decision making at the political level. This focus on achieving short-term results is also enforced at the administrative level, via the introduction of performance related rewards/pay combined with a higher mobility of (top) managers.

The changing employment conditions in public administrations often refer to employer's short-term goals, such as recruiting the best suited candidates for certain posts. The changes that are being made often do not fit into any long-term strategy; decisions are taken on an *ad hoc* basis. Often strategic plans are neglected in situations of crisis or due to other short-term priorities or due to a lack of money or fears of the impact in times of crisis.

A Flexicurity approach offers strategic and long-term vision towards labour market developments. If accepted at a management level as an overall strategic approach, it can be most helpful in dealing with labour market challenges in the shorter and longer term.

Especially the public administration, because it is not ruled by the private market principles, could invest in reforming own organisation during recession and can be pro-active in renewal of employment and working conditions during the "good" times instead of during crisis. This would be an example of a more "anti-cyclic" approach for human resource management and organisational development.

Table 3: Statutory retirement age and options for early retirement (all economic sectors)

Country	Statutory retirement age (years)		Early retirement options
	Men	Women	
AT	65	60	Men: 62, women: 57
BE	65	64	At 60 years of age
BU*	60.5 (since 2001 to become 63)	55.5 (since 2001 to become 60)	
CY	65		At 63 years of age
CZ	61.75	Depends on no. of children	2-3 years before statutory retirement
DK	65	67	If certain criteria are met (e.g. disability)
FI	65		At 62 years of age
FR	60		At 56 years of age
DE	65		Varies among different groups
EL	65	60 (65 for those insured from 1993)	37 years of contribution or 55 years of age
HU	62		Possible in different gradings under certain conditions
IE	65		None
IT	65	60	At 57 years of age (after 35 years of contribution) or any time after 40 years of contribution
LT*	62.5	60	Less than 5 years before statutory retirement (after 30 years of contribution)
LV	62	61	Up to 2 years before statutory retirement
LU	65		At 57 years of age (after 40 years of statutory insurance) or at 60 years of age
MT*	61	60 (2020: 65 for both)	
NL	65		None
PL	65	60	For women at age of 55, possible for other groups if certain criteria are met
PT	65		At 55 years of age (after 30 years of contribution)
RO*	62 - 65	57 - 60	
SI	63	61	At 58 years of age (after 40 or 38 years of contribution)
SK*	62		
ES	65		At 61 years of age if certain conditions met
SE	65		None
UK	65	60	None

Source: European Foundation for the Improvement of Living and Working Conditions, *Early and phased retirement in European companies*, 2007. For countries with* : EURES - European job mobility portal; data 2007-2008.

Introducing a flexicurity approach

A flexicurity approach can be implemented at all levels – national, sector and organisational – focusing on achieving balance between contractual flexibility and transition security, while restructuring the labour market. External changes, like change of contract forms and the implementation of flexicurity elements in the labour law, might be effective, but reaching a solution among all the involved stakeholders on the national, and sometimes on the European level, is not an easy task. Therefore, national administrations could start with a focus on their sub-sectors and organisational levels and start with implementing internal changes. This internal flexibility includes policies such as, internal mobility, flexible working conditions and work-life balance.

In the long term a strategy for structural change on a sectoral, national or European level has to be carefully developed and the implementation has to be planned carefully. For example, the introduction of fixed-term contracts, in order to replace lifelong or permanent employment for civil servants, would help to respond quicker to labour market demands. However, the roots of some of the civil service

systems are very deep, based on laws or regulations and cannot be completely changed in a day. The same applies for retirement policies and pension systems.

This suggests that the first steps in restructuring civil service systems will be very small, but that there has to be a broader strategy behind these small steps. It is obvious that reforms take time and resources for implementing reforms are scarce, and there are always other urgent issues; nevertheless, every move has to be made according to plans, using opportunities to implement them as closely as possible to the schedule.

Implementation of flexicurity components in public administration

The implementation of the flexicurity approach into public administration is more difficult and challenging than in the private sector due to the different organisational structures and traditional values. Firstly, differences exist among Member States with a career-based employment system and countries with a position-based employment system, because in each of those systems different employment conditions apply to civil servants. Secondly, although public

administration structures and employment conditions differ per country, certain similarities in civil service organisations can be seen among geographical country clusters divided into Continental, Mediterranean, Nordic and East European countries. See table 4 for the basic

Table 4: Characteristics of the different country traditions

Country tradition	Civil service tradition
Continental	High status for civil servants, organised around corps, recognised as special group of employees
Anglo-Saxon	High status for civil servants, they are non-politicised
Nordic	Civil service is highly decentralised (agency model), and it is professional and non-politicised
Mediterranean	Civil servants have a low status and political intervention in their work is possible
East European	Each has adopted different system, but common tendencies are: low civil service status & mechanisms to avoid political influence

characteristics of these clusters. The Netherlands stands in-between the Anglo-Saxon and the Nordic model.

According to the European Commission⁵, flexicurity policies can be designed and implemented across four policy components (see Box 1 below for details on the four flexicurity components) and adjusted to the specific situation in Member States.

Box 1: Flexicurity components

1. *Flexible and reliable contractual arrangements (from the perspective of the employer and the employee, of “insiders” and “outsiders”) through modern labour laws, collective agreements and work organisation;*
2. *Comprehensive lifelong learning (LLL) strategies to ensure the continual adaptability and employability of workers, particularly the most vulnerable;*
3. *Effective active labour market policies (ALMP) that help people to cope with rapid change, reduce unemployment spells and ease transitions to new jobs;*
4. *Modern social security systems that provide adequate income support, encourage employment and facilitate labour market mobility. This includes broad coverage of social protection provisions (unemployment benefits, pensions and healthcare) that help people combine work with private and family responsibilities such as childcare.*

Contractual agreements

Flexible and reliable contractual agreements both from the perspective of the employer and the employee are implemented through modern labour laws, collective agreements and work organisation. Member States have focused on introducing more flexibility in their civil service systems through non-standard contracts, mainly for a fixed term. However, there are still great differences concerning contractual flexibility in position-based and career-based civil service systems. In countries with position-based systems, both standard (for permanent-term) and non-standard contracts (for fixed-term) exist. While in countries with a career-based system mainly permanent and lifelong employment contracts are pursued, and development towards non-standard contracts is very slow. See also graph 1 on the next page, showing the level of contractual flexibility and transition security in the EU Member States.

In the cases when non-standard contracts are used in public administrations they mostly refer to the two extremes of the job ladder: either at the lowest grades, for manual or blue-collar occupations; or at the highest level, for top managerial positions. The introduction of fixed-term contracts at the highest civil service grades allows the best-suited candidates to be employed either from within or outside of the civil service. The term of employment is often linked to performance assessment and regular, steered mobility.

Lifelong learning (LLL)

Comprehensive lifelong learning strategies ensure the continual adaptability and employability of workers, particularly the most vulnerable groups. Lifelong learning is a flexicurity component that needs to be further developed in the Member States. Institutional needs analysis for future qualifications has to be balanced with individual development needs and opportunities in a strategic view. In fact, only the Nordic countries link civil servants' training with a lifelong learning policy, which is viewed as a measure to increase the inclusion of civil servants in the labour market. In contrast, most of the other Member States only focus on training civil servants (in the scope of their current or next position) and sometimes lifelong learning may arise as a consequence of

the restructuring of public administrations; for example in Portugal, legislation literally contains provisions for lifelong learning.

In career-based systems, a lack of lifelong learning possibilities links with the traditional job security that is granted to every civil servant. Civil servants traditionally have been trained in general skills for working in public administrations, and some specific skills if required for fulfilling certain positions. However, as it is often seen as a career for life, no other learning possibilities that are not related to current work are offered. Lifelong learning programmes are also not common in position-based and hybrid systems. There the main concern is that employees are hired for a specific position on the basis of their existing skills and knowledge and there is no need to train them. Furthermore, it can be seen as a risk that after following training, employees will move to another organisation and another employer will benefit from this training investment.

Employers are reluctant to invest in their employees' training, especially if it may raise their employability in other organisations and sectors, and therefore lifelong learning should be first of all included in nations' and sectors' long-term strategies.

Active labour market policies (ALMP)

Effective active labour market policies help people to cope with rapid change, reduce unemployment spells and ease transitions to new jobs. The type of employment system largely determines active labour market policies at the sub-sector and organisational levels. Administrations with a career-based employment system mainly adopt internal mobility programmes and policies in order to find new job positions within public administrations for their civil servants, whereas administrations with a position-based employment system focus both on internal and external mobility programmes, stipulating that civil servants are to find a new job position in the event of restructuring either within public administrations, the public sector or in the private sector.

Recently, in several Member States with career-based systems internal (and external) mobility for top management positions has been facilitated through the introduction of performance contracts for a fixed term⁶. Although in career-based systems mostly internal mobility is taking place, the Spanish case shows that external private contracts can also be introduced. Such external contracts allow skilled and experienced professionals from the private sector to enter the civil service and bring new ideas into the public administration. Such an approach increases external mobility between public and private sectors, which is especially needed in career-based systems. The main problem for introducing more private contracts in the Member States is the structural differences and the salary levels in the two sectors. But already internal mobility guarantees the first steps towards ensuring both lifelong learning and employability of career civil servants.

Modern social security systems

Modern social security systems should provide adequate income support, encourage employment and facilitate labour market mobility. This flexicurity component includes such policies as pensions, unemployment benefits, health care, childcare and work-life balance. It is very important in a flexible labour market to ensure "transition security" for employees. This involves ensuring secure transition from a job to education or another job, or from a job to family leave or unemployment by means of income or employment guarantees during the transition period. If there are no such guarantees, people stick to their current job position and resist mobility and flexibility. They may also have difficulties finding a new job following a dismissal or a career break. In addition, active labour markets and lifelong learning policies are needed in order to support the transition.

Transition security is very low in most of the career-based systems, because they traditionally have high job security and the need for transition security seems unnecessary. The situation is different in position-based civil service systems, where there are more similarities in labour regulations with the private sector and job security is lower. In such situations, transition security arrangements are crucial. There are two different tendencies in the EU Member States with position-based systems: firstly, transition security is higher in those countries where flexibility and security tend to be well balanced (Nordic countries); and secondly, for the rest of the countries with position-based systems, the trend is to give up flexibility and ask for more or other forms of security.

Preliminary positioning of Member States' public administrations regarding flexicurity

In order to see where the individual Member States stand at this point in time with regard to the two strongest flexicurity

Especially the public administration, because it is not ruled by private market principles, could invest in reforming its own organisation during recession and can be pro-active in the renewal of employment and working conditions during the "good" times instead of during crisis.

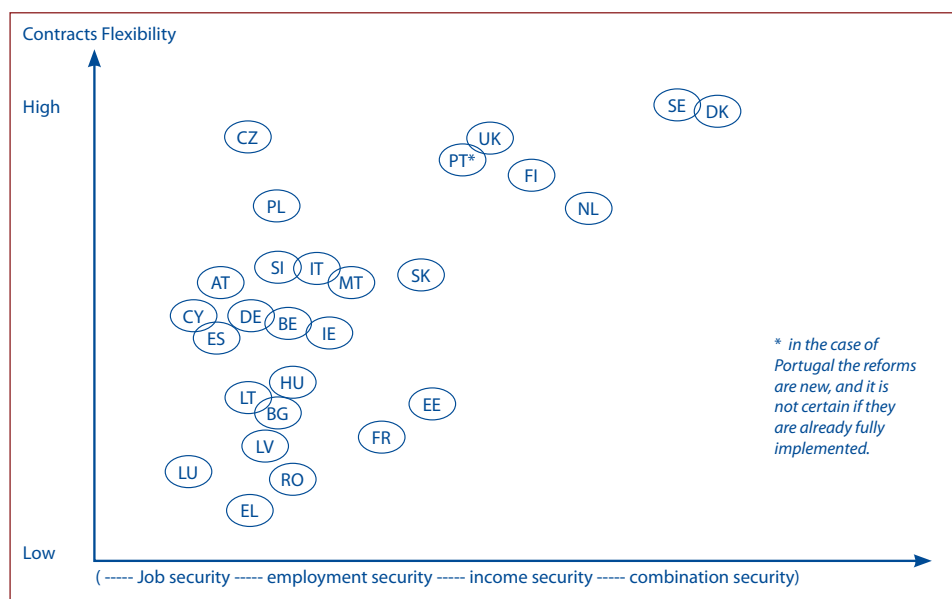
elements, approximate country positions will be plotted on the flexibility and security axes, as there are no clear and measurable indicators for flexicurity in public administrations yet (see Graph 1). The first indicative positioning is based on research of labour law, civil service laws and contract forms in the national public administrations. Flexibility is measured by looking at the type of employment contracts for civil servants and public employees (lifelong, permanent, fixed-term or temporary contracts), and security is measured by looking at the level of transition security in the Member States' public administrations. Flexibility is higher in the countries with more fixed-term and temporary contracts for civil servants and public employees; flexibility is lower in the countries with lifelong employment for civil servants.

The current tendency that can be seen is that public administrations focus on increasing flexibility, while neglecting security measures. The best way to achieve a balance between flexibility and security is to introduce both flexibility and security measures in parallel therefore ensuring that a long-term strategy is developed differentiating between priority areas and less important flexicurity elements to be implemented. Such a strategy will also ensure the continuity and compatibility of flexicurity policies. When introducing more flexible contractual agreements or later retirement schemes, employees have to be offered more mobility and exchange possibilities, lifelong learning programmes, better work-life balance policies and flexible working time arrangements. Investing in security measures first would make implementation of flexibility measures easier. Due to current economic crisis, most Member States want to increase labour market flexibility also in order to reduce the number of civil servants. In this respect, public administration, especially, could have a more 'anti-cyclic' approach towards its own labour market policy

and encourage higher mobility of its employees during the 'good' economic times instead of only during the crisis.

An advantage that public administrations have traditionally had over the private sector was the guarantee of better conditions for various types of leave, e.g. maternity leave, sick leave, and other working conditions. That is slowly changing due to growing competition for the best employees. Therefore public administrations have to keep up with the developments in the private sector, which allows part-time work on the basis of flexible working patterns with good childcare facilities. Combination security could be a strategic answer to more flexibility in public administrations.

Graph 1: Indicative positioning of flexicurity in the national Public Administration of the European Member States (level of contractual flexibility and transition security)



Source: Kuperus, H., Rode A. and Duta, R. *Trends in Public Administration and the Healthcare Sector*, as part of the project "Restructuring in the Public Sector: A Flexicurity Approach" (co-financed by the European Commission).

Labour market trends in the European public administrations

To summarize, three labour market trends can be seen in the public administrations of the EU Member States. They represent three types of countries, categorised on the basis of their employment system. See detailed characteristics of these types in Table 5.

- the lifelong learning possibilities for civil servants and
- more internal flexibility by project work. Such programmes
- will help civil servants gain more skills which they can use
- in other positions within public administrations, and will
- therefore increase mobility between public administration
- institutions. It would also help to better balance the short-
- term need to reduce the number of civil servants and the
- long-term shortness of availability of employees, e.g. by
- working time arrangements over lifetime and flexible early

Table 5: Country grouping along the three labour market types

Labour market type	Main characteristics of the system	Countries belonging
Type 1	Very secure and mostly a career-based employment system; high level of job security for employees which comes from lifelong and permanent employment contracts.	Austria, Belgium, Cyprus, France, Germany, Greece, Ireland, Luxembourg, Romania and Spain. Also Italy and Malta with hybrid civil service system. Portugal is an example of a country that had a career-based system but is slowly changing into a position-based system by introducing relevant flexicurity elements.
Type 2	A better balance between flexibility and security; lower internal mobility within the civil service; in position-based employment systems; civil servants mostly have fixed-term or open-ended contracts and are recruited for a particular position; have little chance of moving within the organisation either horizontally or vertically.	Denmark, Finland, the Netherlands, Sweden and the United Kingdom.
Type 3	Neither a secure nor a flexible employment system; a position-based or hybrid civil service system; often, when more flexibility is introduced for employers to recruit and dismiss employees, the corresponding increase in transition security for employees is forgotten, leading to a very insecure position for employees.	Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia.

Source: Kuperus, H., Rode A. and Duta, R. Trends in *Public Administration and the Healthcare Sector*, as part of the project "Restructuring in the Public Sector: A Flexicurity Approach" (co-financed by the European Commission).

The policy options for the different labour market types in public administrations can be given:

For the *first* type: the first steps of how to improve the flexibility of the labour market is by increasing internal mobility within the public administration organisations, and later ensuring exchange programmes, secondments or other mobility possibilities outside the public administration, e.g. moving for a while to the private sector or another Member State. In order to accommodate such exchanges, lifelong learning programmes have to be implemented and the rigidity of lifelong and permanent contracts should be reduced in order to better support job changes and easier dismissing of badly performing civil servants.

External mobility can also be improved through introducing more fixed-term contracts and/or also hiring from outside the civil service for certain positions. Implementation of such practices may take some time as structural reforms and new regulations will be needed, but it should be a long-term strategic goal. Without such reforms public administrations in these types of countries will not be efficient and therefore they will be unable to compete with the private sector or other Member States' public administrations.

For the *second* type: in order to create more internal mobility and career perspectives for well performing employees and to cope with demographic changes by active ageing strategies, special attention should be paid towards

- retirement schemes. Some Member States have already
- started creating special institutions to facilitate transfers
- between different employment situations.

- For the *third* type: in order to create a work environment which is more flexible whilst at the same time being more secure, investments should be made to develop part-time work and flexible working arrangements, such as flexible working time, job sharing and teleworking. These types of arrangements allow employees to be more flexible and to balance their work and private life better. At the same time, it can be a way for employers to replace some of the job security elements with arrangements for combination security. In addition, investments need to be made towards lifelong learning programmes, social security systems and active labour market policies in order to facilitate more secure transfers.

- Overall, the increase of fixed-term contracts in position-based and hybrid civil service systems is an alarm indicating that security for this group of employees must be increased in one way or another. A challenge for employers is to offer their employees a modern and future oriented security system that will keep them motivated enough to work under fixed-term contracts.

- In all cases, the involvement of social partners is very important to equally balance the interest of both employers and employees.

Conclusions

Firstly, when answering the question on how new balances between flexibility and security can be sought in public administrations the solution should be dependant upon the country's public administration tradition and employment system. An influential aspect is the specific labour market challenges which each administration faces, such as a system which is too secure, has too low internal mobility, or a system which is neither secure nor flexible.

Secondly, strategic and long-term thinking with regard to public administration restructuring is one of the most important elements to ensure success, but it is often forgotten in the change process. Short-term decisions will be taken in the meantime but they should fit into the bigger strategic picture, only then can the success of reforms be assured. In order to increase the long-term responsiveness of public administrations to change and to avoid short-term solutions

in case of crisis, public administrations should consider an 'Anti-cyclic labour market and personnel policy' in their role as employer and manager, using both internal and external flexibility and security elements.

Finally, flexicurity is not only about more flexibility of labour market rules for the employer, as it is often misinterpreted. Flexicurity is about equal rights and new opportunities both for employer and employee and it supports a balance between flexibility and security measures. It is important that both the flexibility and security measures are implemented in the public administrations in parallel to modernise their employment and working conditions. Better indicators to monitor the progress can help to measure and compare the real impact in the public administrations of the European Member States.

NOTES

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¹ The empirical analysis is mainly based on a recent study: Kuperus, H., Rode A. and Duta, R. *Trends in Public Administration and the Healthcare Sector*, as part of the project "Restructuring in the Public Sector: A Flexicurity Approach" (co-financed by the European Commission).

² European Commission, (COM (2007) 359), *Towards Common Principles of Flexicurity: More and better jobs through flexibility and security*; Brussels, 27 June 2007

³ Wilthagen, T., Tros, F., *The concept of 'flexicurity': A new approach to regulating employment and labour markets*, TRANSFER – European Review of Labour and Research, 10(2), 2004

⁴ Kuperus, H., Turchetti, C., Rode, A., *Recruitment and Equal Opportunities Systems in National, European and International Civil Services*; European Parliament, Policy Department for Citizens' Rights and Constitutional Affairs, November 2008

⁵ European Commission, (COM (2007) 359), *Towards Common Principles of Flexicurity: More and better jobs through flexibility and security*; Brussels, 27 June 2007

⁶ Kuperus, H., Rode, A., *Top Public Managers in Europe. Management and Working Conditions of the Senior Civil Servants in European Union Member States*. Study commissioned by the French EU-Presidency; EIPA, 2008