Increasing the Motivation of Civil Servants in Kazakhstan

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Abstract. The article deals with the issues of civil servants’ motivation. Motivation of civil servants is a factor increasing the efficiency of the public service. The problem of finding a mechanism to increase the efficiency of public servants, assessment of their work and remuneration for it are relevant throughout the world. The experience of reforming civil service systems in different countries has shown that the system of employee motivation goes far beyond the increase of wages, clearer differentiation of wages based on qualifications and experience, or the scope of benefits provided. The author believes that social protection and motivation of civil servants should include a set of measures aimed at compensation for restrictions objectively determined by the nature of activities; for social expectations of the employee, which form the basis of his/her professional choices, in order to neutralize the factors impeding the effective performance of a particular person.

Keywords: labor motivation, civil service, tangible and intangible stimuli.

Raktažodžiai: darbo motyvacija, valstybės tarnyba, finansiniai ir nefinansiniai motyvavimo veiksniai.

Introduction

One of the key aspects of reforms that take place in Kazakhstan is the enhancement of the state’s role in the regulation of social processes, strengthening of civil service in ensuring social interests and establishment of sustainable cooperation between the civil society and the state. In the context of the present transition of Kazakhstan towards the innovative development, this role of the state is realized in the necessity of formation of new life conditions for people and creation of productive conditions for intellectual and educational capacity building that will generally lead to higher performance of civil servants.

The success of reforms in Kazakhstan will mostly be determined by the condition of civil service, the ability of the state apparatus to solve difficult and
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responsible tasks for social and economic development of the state, the interest of
civil servants in realization of reforms for power institutions, and in facilitation of
social progress. Development and successful implementation of new approaches to
the economic management of the state requires high class professionals in the state
apparatus that possess new expertise and practical work experience, able to think
progressively and creatively, loyal to the principles of civil service and willing to take
responsibility for further sustainable development of the state.

On August 19, 2015, at the meeting on system measures of the economic policy,
the President of the State N. A. Nazarbayev pointed out that “It is the time for difficult
intellectual activity when every minister’s and every participant’s traits will be tested.
The present crisis is sectoral; it influences virtually all industrial spheres of
Kazakhstan. There has been no such precedent; it requires completely different
approaches” [12]. It means that the main work and responsibility lies not only on the
senior level of executive power but also on all civil servants. Their professionalism,
coordination and unity will directly influence the speed at which we deal with the
consequences of the crisis for the people and the country as a whole.

Raising of civil service effectiveness is one of the priority directions of the
present public administration reform. The reform of this system is a necessary
condition for ensuring the country’s fast social and economic development. The main
aim of further civil service reforming is its development for strengthening the state
and the civil society, and raising the public trust towards state bodies also by the
improvement of the quality of service. Monitoring of the civil service personnel in the
Republic of Kazakhstan on January 1, 2016 showed that the regular number of civil
servants was 99,886, including 422 political officials [10]. Based on the results of the
international standard comparative analysis and foreign expert report, Kazakhstan has
formed a compact state apparatus. In the civil service of Kazakhstan 54.2% of
employees are females and 45.8% – males [11]. A total of 89.7% of civil servants
have higher education, which is a very high figure. For comparison, in some
developed countries such as the US, Australia, Canada, higher education is not
necessary for lower civil service posts.

Today, the average age of civil servants is 39 years. The most abundant group –
30-40 year olds – constitute about 31%, under 30 years – 25%, 40-50 years – 22%,
and more than 50 years – 22% of civil servants. This shows that the age structure is
balanced and there is a relative preservation of the succession in the civil service. The
number of civil servants with experience of up to 5 years is 30%, 5 to 10 years – 24%,
and over 10 years – 46%. The average length of work experience in the civil service
is 10.5 years. Over the past 2 years, it has grown for one year that means there is a
trend of stabilization. In Kazakhstan, the influx of young people in public bodies
occurs naturally, including, from the ranks of graduates of the Bolashak program. The
number of graduates of the program working in the public service has doubled since

One of the priority directions to increase the efficiency of the civil service of
Kazakhstan becomes the improvement of civil servant remuneration structure. As
shown by numerous studies, the low level of financial support of civil servants is one of the factors limiting in many ways, which makes the civil service unattractive for highly qualified professionals.

An important goal in improving the efficiency of work organization is a clear definition of the necessary number of managerial levels, as well as the established system of social guarantees for employees in combination with efficiency. At the present stage of public service modernization in the Republic of Kazakhstan, the need for a scientific analysis of the processes of building the civil servant motivation is identified. It helps understand the essence of changes taking place and the need for research-based recommendations to improve the system of social guarantees for those engaged in civil service.

We used case studies, observation and document analysis as the methodology of this study. Our study was prepared on the basis of analysis and generalization of legal acts and practices of Kazakhstan civil service, while taking into account the experience of foreign countries.

**Theoretical aspects of research of civil servant motivation areas**

Currently, the level of research of improving the areas of civil servant motivation in Kazakhstan is an important issue that requires a more detailed study. In modern scientific literature this question is more productively addressed in developed countries. Various modern foreign researchers devoted their works to labour motivation in civil service, including P. Alonso, G. B. Lewis [1], M. Prebble [14], N. Belle, P. Cantarelli [2], A. M. Bertelli [3], D. J. Houston [7] and others.

Different approaches to labour motivation in civil service were borrowed from the private sector. The efficiency of administrative civil service reform depends on the correct legal and normative definition of the place and role of the civil service institute in the system of public administration, on exact scientifically based indicators, and on the choice of moral and legal indicators of professional activity in the state apparatus. The existing system of state guarantees that the civil servant motivation should be aimed at the compensation of limitations logically determined by the nature of work in the civil service system, implementation of the worker’s social expectations forming the basis of his/ her professional choice, and neutralization of factors preventing the efficient work of the civil servant.

The occupational sphere of civil service has a number of specific features. In its content, the employment of civil servants is aimed at realization of national interests and comprehensive strengthening and development of the social and political system, high degree of responsibility of officials for decisions and their implementation, results and impacts; rigid normative regulation of management and labour discipline, involvement of the intellectual and creative potential for solving administrative problems. At the same time, the level of remuneration of civil servants is significantly lower than that in commercial structures, while additional social guarantees do not fully compensate for the complexity and importance of their activities.

Based on the survey by the National Bureau of Anti-Corruption of the Ministry
of Civil Service Affairs of the Republic of Kazakhstan, out of all the forms of motivation that are considered the most important for the civil service, the surveyed respondents chose the following: promotion – 34.35%, monetary forms of motivation (bonuses) – 41.98%, and recognition of merits – 23.67% [16]. The results of this survey show that intangible forms of labor remuneration are no less important for civil servants than the tangible stimuli.

The essence of employee motivation in modern management lies in identification and realization of their personal interests, providing them with opportunities to actualise themselves in the process of achieving the organisation's goals. Labour stimulation is the method of influencing the labour behaviour of the employee through motivation. There are two types of methods of labour stimulation: tangible (economical) and intangible (non-economical). Tangible methods include labour costs, cash rewards in the form of premiums and bonuses, profit sharing, and others. This type of labour stimulation, which is also treated as a direct financial incentivisation, is considered as one of the most effective. Financial incentives increase workers’ initiative; the level of satisfaction from the working process; and attract potential employees. There is also an indirect tangible motivation, which includes sick leave, holiday pay, health insurance, soft loans, training for workers, subsidies for meals in canteens, payment of corporate mobile accounts, and more. In the civil service, this is reflected in the basic and additional state guarantees. Among them there are public holidays and paid annual main and additional leave, health insurance of civil servant and their family members, reimbursement of expenses related to official business, professional training, professional development, training, study, with retaining of substitutable positions and cash allowance during this period, transport services, provided in connection with official duties, one-time subsidies for the purchase of housing, and others. Financial maintenance is the primary means of material support and stimulation of professional performance, because the law imposes certain restrictions and prohibitions for government officials to obtain other income outside their main job.

Among the intangible stimulation of labour we could mention organisational and moral incentives. The first implies the involvement of employees in decision-making, empowerment, job enrichment, promotions and others. Moral incentives include the announcement of acknowledgement, awarding diplomas, certificates and letters of appreciation, congratulations and gifts, attention to newcomers in the period of adaptation etc. There are specific types of intangible rewards in the civil service, such as honorary titles, awards with marks of distinction, orders and medals. Today, employee motivation plays a central role in human resource management, since it serves as the direct cause of their behaviour.

These forms of motivation create the basis of the new Law On Civil Service of the Republic of Kazakhstan, which provides for motivation elements in the civil service such as career advancement based on meritocracy principles; bonus-system-based work motivation; introduction of a new remuneration system, not only based on the status, but also performance, workload, level of responsibility, etc.
For the first time [6; 8; 13; 15] reforms related to the cost of labour began to take place in the United States, Great Britain, Denmark, Sweden, Italy, Spain, New Zealand and the Netherlands. From 1991 to 2005, these reforms had been carried out in Switzerland, Germany, France and some Eastern European countries – Poland, Czech Republic, Hungary, etc. The reasons for the reform are the influx of highly skilled workers from the private sector to the civil service, the problem of preservation of these professionals; preservation of the indexing role in relation to inflation; desire to motivate staff in the light of the criticism of the seniority system and bureaucracy.

Previously, the seniority system and the level of education had been used to define the wage level. Reforms were held under the banner of greater attention to the implementation of work, less automatism in the application of old principles, and greater decentralization in determining the size of pay. There are two systems, depending on the autonomy of the executive power in the determination of wages for its employees:

- Centralised (Spain, Germany, Portugal, France) – which minimizes the inequality, strengthens the solidarity of civil servants, and reduces luring from one authority to another.
- Combined (Denmark, Ireland, Finland, the Netherlands, Italy, Sweden, the USA, Canada) – in which the manager is responsible for the human resource policy, while the wage depends on the civil servant’s responsibilities.

As part of the wide-ranging reforms in the field of human resource management in the public sector, a crucial factor in increasing the efficiency of public services of foreign countries was the creation of conditions for sustained motivation of civil servants and introduction of a result-based remuneration system. This system was legally introduced in most countries of the Organisation for Economic Cooperation and Development (OECD). The desire to improve the efficiency and effectiveness of public servants was realized through the following instruments:

- An effective system of competitive selection (attracting promising staff to work);
- Sophisticated concept of personnel training and re-training;
- Attractive schemes of encouragements and stimulation of the effectiveness of activities;
- Active use of potential employees (including regular staff rotation);
- Regular evaluation of activities (including feedback system);
- Material reward for excellent performance (including remuneration for the results);
- Opportunities for career advancement and professional development.

Result-based remuneration system of civil servants were developed in each country in its own way, taking into account the traditions, laws, the level of state institution development and labor market patterns and have a very different variety of forms. In some countries, the payments are made in the form of incentive bonuses as
a permanent part of the salary. In countries such as Finland, the United Kingdom, Germany the payment is made in the form of lump sum bonuses that are awarded for each period of evaluation and are not included in the basic salary. Salary based on the results has the advantage in relation to staff recruitment in terms of attracting private sector personnel who have the necessary professional knowledge and experience. In the European Union depending on the country, the payouts also differ greatly. For civil servants the result-based remuneration constitutes less than 10% of the basic salary. For the leaders – 20% in average. In general, incentive payments represent less than 5% of the basic salary and contribute to the long-term benefits.

Currently, a significant part of civil servants both on the ordinary and managerial level in the European Union receive a salary based on the results of work that allows the state to compete with the private sector in recruitment for the public service. This is also important because traditionally work in state bodies attractive for competent employees, with the low tendency to risk. Thus, we can identify certain trends in the transition to a result-based wage policy in the European Union:

- Budget authorities and the personnel are transmitted to individual ministries (departments) and from there to the heads of these units;
- Human resource management is carried out on an individual basis;
- Assessment linked to the official duties, which are stipulated in the employment contract;
- Individual criteria of efficiency and effectiveness based on a common strategy of agency's performance efficiency;
- Payment of civil servants should be clear and transparent both for employees and for the society;
- Assessment of the efficiency and effectiveness is not based on quantitative indicators, but on the dialogue with the head of department.

Today, the result-based payment is not considered as an incentive mechanism, but rather as a kind of means for optimization of internal processes (when setting targets, clarification of tasks, skills development, improving the dialogue of employees and managers, for teamwork, for flexibility in carrying out the work). This is because for public servants the content of the work is a stronger stimulus while the prospect of career development is the main motivation [15]. Therefore, the problem of finding a mechanism to increase the efficiency of public servants, the issues of assessment their work and its payment are relevant throughout the world. The experience of reforming the civil service systems in different countries has shown that this system of employees goes far beyond the increase in wages, clearer differentiation of wages according to qualifications and experience, or the scope of benefits provided.

**Analysis of the aspects of civil servants’ motivation**

At the present stage of improvement of Kazakhstan's civil service the issue of developing an effective methodology for the motivation of civil servants is
particularly relevant. The ongoing modifications indicate significant changes in consciousness and behavior of public servants. The socio-professional orientation of employees towards the work in state agencies has significantly improved. The state apparatus strengthened the installation for professional promotion; there is a greater certainty of civil servants in its functional and socio-professional purpose.

Difference in wages of civil servants and workers of non-state segment negatively influences the process of attraction of young professional employees and leaders to the public sector. This phenomenon lowers the efficiency of state authorities’ performance, and worsens the professional and gender/age structure of civil service. In social terms, the problem requires a wide public coverage, identification and coordination of general social, professional and personal interests. Identification of important quantitative and qualitative parameters for the modern structure of civil servants, the most significant trends of its development allows the more objective evaluation of the existing system of state guarantees for public servants, as well as the degree of its influence to ensure the stability of the civil service personnel.

Despite the relative obsolescence of survey data, the common position generally should be recognized as the correct one. First, the attention is drawn to the insufficient level of social protection and material component. In order to increase the prestige and authority of the public service and public servants it is necessary to raise their salaries with a possible increased differentiation in pay, depending on the level of public position, since the enforcement of the state bodies function requires various professional competence, responsibility and payment, respectively. At the same time, the socio-legal protection of civil servants along with material support should take into account their psychology, self-esteem, and recognition by peers, management and society as a whole. In this connection, there is the primary task of creating a positive business image of public service, as well as personal and professional development of civil servants, which should focus mainly on the development of their abilities and professionally important qualities.

Therefore, in the new Law "On State Service of the Republic of Kazakhstan" [9], the promotion of civil servants is applied for the exemplary performance of official duties, unblemished public service, performing tasks of special importance and complexity and other accomplishments, as well as the evaluation of their activities. For civil servants the following types of incentives could be used:

- A one-time cash award;
- Announcement of gratitude;
- Rewarding with a valuable present;
- Awarding a diploma;
- Assignment of honorary titles;
- Other forms of promotion, including the awarding of departmental awards.

For special services, the civil servants could be submitted to the awarding state awards in accordance with the Law of the Republic of Kazakhstan "On State Awards of the Republic of Kazakhstan”. As for the career promotion in the public service,
which is also an element of motivation for civil servants, it shall be based on their qualifications, competencies, abilities, achievements, and conscientious performance of their duties. Promotion in public service in the state body provides the consistent appointment to the higher state posts according to the staff regulation of a public authority.

Under the higher state posts in other state bodies are meant the public positions, which have higher qualification requirements or a higher wage with equal qualifications. A special place in the new Law is given to the new system of payment and work motivation. Today the payment of civil servants is “mechanically” aligned with the position level, that is, the heads of structural subdivisions of the state body, for example, the directors of the department, regardless of the nature and extent of functions receive the same basic salary, which is combined with the allowance for length of service in the civil service.

Meanwhile, this approach does not take into account the specifics of the structural unit, the volume of work performed, the nature of the functions and tasks, and ultimately – the level of responsibility. In turn, the factor-point system is based on the assumption that wages are not installed "mechanically" by the level of the position, but it takes into account the functional volume and specificity per position. The system calculates the weight of each position in the general system of state authority positions. The same basic salary will not be set for all the posts of heads of structural divisions. It will work the principle of "equal pay for equal work", which will link wages to the position weight.

Factorial-point scale, as was mentioned above, will take into account not only the status of position, but also the specific, "digitized" contribution of each employee to the achievement of a public authority objectives. This will allow the introduction of a competence-based approach, becoming the basis for a common framework of competencies of civil servants, in which a set of competencies will be determined based on the level (weight) of each position.

It is necessary to introduce the labor correction factors by region, to ensure the salaries adequate to the standards of living in a given territory. The calculation should consider the consumer basket, cost of rental housing, climatic, ecological and other conditions.

There is a bonus incentive system of civil servants of certain categories, where the individual results will be considered in conjunction with the results of the state body activity. At the same time the performance indicator for civil servants should be the implementation of the annual individual plans, for government agencies – implementation of the strategic plans; for the ministers and governors – specific indicators of quality of public services, quality of life, attraction of investment; for members of the Government – the integral macroeconomic indicators. Under this system, we consider the possibility of granting the right to the head of the state body within the limit of the authorized strength to make decisions on personnel optimization and the use of savings in the fund salaries and other administrative costs for the payment of bonuses.
Changing the whole system of remuneration in the public service is a complex and time-consuming process, that is very sensitive from a social point of view, therefore, all solutions will be worked out carefully and implemented using pilot mode [5]. In general, improving the system of state guarantees for public servants, labor motivation at its core involves the following activities: 1) the State provides an opportunity to enter the civil service; 2) the State ensures the possibility of successful service; 3) the meeting of the needs of civil servants and their interests; 4) the promotion of effective solutions service tasks and consolidation of employees in the public service.

Thus, the main conclusions on the areas for improvement for the motivation system of civil servants in Kazakhstan are the following:

- While wage individualization, its size should not depend on the position of a public servant, but on his personal contribution to the process. The policy of wages in OECD countries often use the merit system. This evaluation system is aimed at the establishment of wages to employees of the same qualification, but with different levels of quality of work. This "assessment of merit" is widespread in various countries.
- Factors, which evaluate the employee, can be both productive and personal.
- Methods of assessing the merits of various workers: survey, grading and expert assessment, the grouping of employees based on the results of their work evaluation, etc.
- to improve the non-materialistic ways of motivation for civil servants.

In this regard, Kazakhstan should choose the most convenient model of motivational management in civil service system. The motivation should be implemented by using flexible administrative and governing mechanisms. The systems of orders and reports should mostly be replaced by the system of economical stimuli using the technologies of result-oriented public administration. But for the effective reforms an enabling environment should be created, which means that it is necessary to change the organizational culture [19; 4]. It should be noted that if material interest and self-realization serve as the relevant motivation factors for civil servants then we may suggest to use the application of system for personnel motivation ensuring the desirable result-oriented management as the strategic direction to increase efficiency and motivation of civil workers. To meet the needs of material well-being and self-actualization the introduction of performance-based payment and rewarding system is advisable.

Thus, in the public service the increased work efficiency is achieved by stimulating the stability of staff, job security, and a gradual increase in wages, government systems and social security guarantees. The main instrument for achieving the personnel stability is the tariff system, which provides a wage increase at a horizontal level, depending on the quality of work and compliance with the rules of the work ethic; as well as the promotion, and a wage increase vertically with the growth of qualifications of the employee, his seniority, professional capabilities, and performance.
Conclusion

1. Thus, the study of motivation factor management in the civil service has shown that it is time to reassess the current methods of motivation, in order to find more effective ones. Moreover, it is necessary to apply an integrated approach and modernisation of public administration systems with the use of new concepts and technologies of management, management psychology and sociology, for improvement of the performance of civil servants.

2. The presented research allows to develop recommendations to improve the motivation and performance of civil servants, namely: a) Performance indicators of the activity of civil servants should be linked to changes in the final condition of the object within their scope of activity (aims of public management). Thus, the general change of the management system could be introduced: from the process-based management to target-based management, result-based management; b) In the target-oriented management, the documents regulating the performance of employees should be drafted in a way to include the anticipated results; c) Creation of an objective and comprehensive system of indicators showing the degree of achievement of anticipated results and allowing to focus the attention of employees on the main priorities of state bodies; d) Implementation of result-based methods of personnel motivation; e) Development of the system for recording employee responsibilities and the system of tangible and intangible rewarding methods, depending on the scope of work and results obtained.

3. In order to create a complex system of human resource management in public bodies, it is relevant to conduct assessment of needs and motivation of employees, as well as the factors negatively influencing their motivation. It will enable a better efficiency analysis of the present system for motivation of civil servants, in order to introduce adjustments necessary for its perfection.

References


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Kazachstano valstybės tarnautojų motyvacijos didinimo aspektai

Anotacija

Straipsnyje nagrinėjamos valstybės tarnautojų motyvavimo problemas. Valstybės tarnautojų skatinimas yra reikšmingas veiksnys viešųjų paslaugų teikimo efektyvumo didinimui. Tačiau efektyvių valstybės tarnautojų skatinimo, darbo vertinimo ir apmokėjimo sistemų sukūrimo problema ir toliau išlieka aktualu visame pasaulyje. Įvairių šalių valstybės tarnybos reformų patirtys atskleidė, kad efektyvios motyvavimo sistemos sukūrimas neapsisiribojà vien finansiniais stimulais paremtais turima valstybės tarnautojo kvalifikacija ir darbo patirtimi. Straipsnio autorė laikosi pozicijos, kad valstybės tarnautojų motyvavimo ir socialinės apsaugos sistemos turėtų pasižymėti įvairių priemonių visuma orientuota į tam
tikros kompensacijos sistemos sukūrimą, kuri atitiktų valstybės tarnautojų atliekamos veiklos pobūdį bei socialinius lūkesčius, kurie susiformuoja priklausomai nuo jo profesinių pasirinkimų. Ši sistema galėtų padėti neutralizuoti neigiamus veiksnius apsunkinančius konkretaus individo veiklą ir lemiančios jo darbo efektyvumo mažėjimą.

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