

**PUBLIC ADMINISTRATION REFORM MONITORING IN BOSNIA AND
HERZEGOVINA: ANALYSIS OF RESULTS IN THE AREA OF
HUMAN RESOURCES MANAGEMENT (HRM)
2016**

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INTRODUCTION

Transparency International in BiH, supported financially by the Swedish International Development Cooperation Agency (SIDA) and the Government of Denmark, prepares annual reports on the public administration reform as part of the Public Administration Reform Monitoring project in BiH (PARM). This report looks at the results achieved by public administration authorities in the area of Human Resources Management (HRM) in 2016.

Access to and collection and analysis of data on the activities undertaken and implemented in the last year have not changed much compared to the 2014 and 2015 reports. This year, too, the report makes a comparison between the activities undertaken and the results achieved, and looks at the funds invested in the last year.

Given that the previous two reports addressed all the important general issues related to HRM, this report will provide only a review of these issues. The central part of the report consists of a recap of activities undertaken and completed in 2016. By using an expanded questionnaire, this year we attempted to come up with even more quantitative indicators on the situation in certain segments of HRM.

In January and February 2017, using a specially designed questionnaire, TI BiH conducted a survey among institutions at the state and entity levels on activities they undertook in the field of HRM. In addition to the survey, TI BiH conducted a desk review of reports and other documents of the Public Administration Reform Coordinator's Office in BiH (PARCO), the Delegation of the European Union, SIGMA, and CSOs in BiH that are active in this field (Centres for Civic Initiatives, Centre for Investigative Reporting).

In terms of the response rate, there was no significant improvement compared to 2015. Specifically, this year we distributed a total of 76¹ questionnaires (25 for the state level, FBiH and RS each + one for BD). Of the 76 institutions included in the sample, 41² failed to provide the requested information, thus refusing to contribute to the monitoring.

Generally, 2016 was marked by activities that were taking place along two parallel tracks:

¹ Annex 1 and Annex 2

² Annex 2

- 1) activities relating to amending the Laws on Civil Service in FBiH and at the state level; and
- 2) activities relating to the development of a new strategy for public administration reform (PAR) in BiH.

As regards the first set of activities, the ruling of the Constitutional Court of FBiH (December 2016) declaring the amendments to the FBiH Law on Civil Service (LCS) unconstitutional halted the negative trend of politicisation of the civil service for the time being, while the preparation of the new PAR Strategy, despite all the constraints, managed to reach its final stage (at least in the area of HRM). In both cases, these were positive developments.

We would like to take this opportunity to sincerely thank all those who have helped us make this report better and more comprehensive.

REVIEW OF THE KEY CHALLENGES IN THE FIELD OF HRM

The 2016 BiH progress report of the European Commission notes that BiH should ensure implementation of an effective human resources management system, in particular in recruitment, and amend civil service legislation in an inclusive and evidence-based process to reduce the risk of politicisation of the civil service at all administrative levels.³ SIGMA was even more specific in its 2016 assessment of the situation in BiH, highlighting the problems of continuing fragmentation of the civil service system in BiH, lack of relevant strategic framework for reform, and general lack of progress against the recommendations of the SIGMA 2015 Baseline Measurement Report.⁴

The foregoing shows that the key challenges in building a modern civil service system in BiH include the protection of merit-based recruitment, protection of the principle of political neutrality of civil servants, as well as ensuring the protection of the public interest in the overall reform process. The European Commission has very clearly underlined the need to protect the competence and independence of civil servants, while SIGMA's remarks regarding the fragmentation of the civil service system and the lack of a relevant strategic framework for the implementation of

³ European Commission's Progress Report for BiH, p. 8, available in English:

https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/key_documents/2016/20161109_report_bosnia_and_herzegovina.pdf

⁴ SIGMA BiH Monitoring report, p. 5, available in English: <http://www.sigmaweb.org/countries/bosnia-and-herzegovina-sigma.htm>

reform can be interpreted as a criticism of the political representatives for their unconcern about the interests of BiH citizens.

While 2016 did see some positive developments in the furtherance of merit-based recruitment in civil service, the administrative structures in BiH remain confronted with a huge challenge of transforming the system of testing and selecting civil servants by replacing the current approach, which is focused on knowledge testing and selection based on formal qualifications, with one that is competence-centred. This means that the tests would require candidates to demonstrate their reasoning and communication skills, whereas selection would be based on candidate's demonstrated ability to analyse specific situations/problems encountered in a real workplace environment and present their views on how they should be handled. Certain steps in this regard have already been taken, but these will be discussed in more detail in the next section of the report.

Further, the principle of political neutrality in BiH has come under constant attack from the 'politics' since 2006, and the likelihood of its preservation is directly related to the general economic situation in the country (especially in the segment of real economy). Namely, the fewer the jobs in the real economy, the greater the demand for jobs in the public sector. The higher the political pressure on the management of administrative authorities to hire people, the less likely the selection commissions are to maintain their political neutrality. While the abandonment of the principle of political neutrality may be particularly visible in the recruitment processes, all other decisions arising as a result of protecting partisan rather than public interests pose the same threat. It will take a lot of effort at the technical level to find solutions that will effectively discourage partisan driven decision-making about public resources, but no matter how much effort is invested, it will all be in vain if there is no strong support from international actors and sincere commitment to reform by the government.

Despite these challenges, all administrative structures in BiH have room to further strengthen the capacities of both central HRM institutions (civil service agencies), as well as HR units in individual administrative bodies. This particularly refers to the capacity of central institutions to develop HRM policies and generate new or improve existing practices in this area. In this regard central institutions are still fairly passive and continue to rely mainly on the support of technical assistance projects.

Recapitulation of HRM activities in 2016

Before discussing the situation in the individual segments of HRM, it should be noted that this year, too, the respondents had the opportunity to express their opinion on the general managerial capacity in their home institutions. The answers show that the respondents only to a lesser extent agree that managers should be better. For example, responding to the question whether the poor performance of individual civil servants is caused by the incompetence of their managers, only one quarter of the respondents at the state level (and 18% in FBiH and 14% in RS) think that this is a problem, but not the main one. Other respondents either do not have an opinion on this issue or believe that managers are good, but that the problem lies in the system (which prevents managers from proving their worth). When asked whether special requirements should be introduced in selecting senior officers, most respondents at the state level, as well as in RS, respond affirmatively, while in FBiH seven in thirteen respondents believe that the current system is good and should not be changed. Furthermore, data on management training show that only 27% of respondents from FBiH received some managerial training, with the proportion rising to 50% at the state level and in RS (meaning that roughly every other manager had the opportunity to attend some professional training).

Building general capacity in HRM

The term 'general capacity' refers primarily to the hierarchical position of HRM in an institution, and then also to the scope of activities included in the HRM unit's purview and the competence of people performing these tasks.

In the analysed period there were no systematic activities aimed at enhancing the general capacity of HRM. There were some efforts to further enhance the capacity of HRM personnel and to start a project to develop a registry of civil servants at the state level. In terms of HRM capacity, it is important to mention the meeting between HRM professionals in the civil service and those from academia, organised by the German GIZ as part of the project "Strengthening Public Institutions", where professors presented contemporary trends and modern practices in HRM to their colleagues in the civil service. This was the first such activity in BiH, and it would certainly be worthwhile to keep it and perhaps expand it by including the exchange of experience and good practice between, for example, HRM professionals from public administration and those from the private sector. Furthermore, GIZ organised a study visit to Germany for representatives of the central HRM institutions in BiH to see firsthand how HRM infrastructure in the

German administration is organised and how it works.⁵

In mid-2016, the Civil Service Agency of BiH signed a contract with GIZ on the implementation of a project to develop a register of civil servants. This project is essential for the development of general capacities of the state-level HRM function because the data on the number and distribution of personnel in the civil service constitute the basis for all major decisions regarding the planning, recruitment and training of employees.⁶

Analysis of data collected through questionnaires shows that trends have remained almost the same as in the previous year. Terminology-wise, the term ‘human resources management’ is still far from pushing out the term ‘personnel affairs’. Broken down by levels, the term ‘human resources management’ is mostly used in RS (60% of the surveyed institutions), but in only 15% of institutions in FBiH and 29% institutions at the state level. The adoption of new terminology will not in itself bring about the desired reforms, but it opens up space for new content too. The term HRM (Human Resources Management) opens up room for the creation of new practices, because it is a managerial function that assumes that people are the most valuable resource of an organisation. Accepting this term will open the door to actions that will operationalise the said assumption.

With regard to the independence of the HRM function, the survey shows that the prevailing arrangements continue to be those where HRM is part of a larger organisational unit (usually encompassing general, legal and personnel affairs). Of the 14 state-level institutions surveyed, only four have a separate HRM unit (29%). In RS, this percentage is 25%, whereas in FBiH none of the 13 surveyed institutions has a separate HRM unit.

The table below shows the situation in the surveyed institutions as regards the scope of work performed by HRM units (regardless of their level of independence):

TYPE OF WORK	BiH		FBiH		RS	
	YES	NO	YES	NO	YES	NO
Coordination and provision of technical assistance in preparing the annual staffing plan	8	6	7	4	7	1
Electronic personnel file management	2	12	1	10	4	4
Coordination of the process of filling vacant positions	12	2	11	1	8	0

⁵ 2016 Semi-annual Report of PARCO BiH, p. 26, available at <http://parco.gov.ba/wp-content/uploads/2016/09/Polugodišnji-izvjestaj-o-napretku-za-2016.-godinu.pdf>

⁶ Ibid, p. 27

Coordination and provision of technical assistance in job analysis	11	3	11	1	7	1
Coordination and provision of technical assistance in modifying existing and/or developing new job descriptions	12	2	9	1	7	0
Coordination of the implementation of performance appraisal	14	0	9	3	6	2
Coordination and provision of technical assistance in the analysis of the training needs of staff	10	4	8	4	5	3
Coordination and provision of technical assistance in the implementation of disciplinary proceedings	9	5	8	4	5	3

The table above shows serious differences in the performance of traditional HRM activities among the surveyed institutions. What remains a matter of particular concern in this regard is the fact that very few institutions at the state level and in FBiH take any part in HR planning and electronic database management.

When asked about the resources invested (financial, material, human), the surveyed institutions emphasise the provision of material and human resources as their most common contribution to the reform efforts. Data on the involvement of surveyed institutions in various projects suggest that the institutions that are supported by technical assistance projects fare significantly better than others. In this regard, the greatest support in the analysed period was provided to the institutions in RS (of the eight interviewed institutions, four received direct support from such projects), while the state-level institutions and those in FBiH received little or no support at all, respectively (three of the thirteen institutions at the state level and none of the thirteen institutions in FBiH took part in HRM-related projects).

Human resources planning

Human resources planning is an ongoing process that aims to ensure the efficient use of each organisation's most important resource – people.

This segment of HRM saw but minimal changes compared to the findings of the report published in 2016⁷. The HR planning practice remains predominantly focused on the quantitative aspect, which means that the administrative bodies are

⁷ Public Administration Reform Monitoring in Bosnia and Herzegovina: Analysis of Results in the Area of Human Resources Management (HRM) in 2015, Transparency International BiH, March 2016.

concerned solely with ensuring the required number of staff. The profile of staff, as well as the strategic priorities in recruitment, remain largely outside the focus of the current HR planning practice. As noted in the previous report, the HR planning practice in RS is somewhat more advanced compared to the state level and FBiH, but a true analysis of institutional needs and related parameters, such as the situation on the labour market (internal and external), projections of attrition trends (e.g. number of retirements in the next three years), the possibility of obtaining the necessary competences (through training and other forms of professional development), etc. is virtually non-existent.

Only two institutions in FBiH and one in RS reported having undertaken certain activities in 2016 relating to the analysis of existing plans. It is obvious that the completion of the EU HRM project, which had an entire segment dedicated to HR planning, has left a sort of vacuum in this area. It would be very important that the activities initiated through the project continue as soon as possible in order to provide the central HRM institutions in BiH with necessary support to develop a new and modern approach to HR planning.

Analysis and classification of jobs

Job analysis involves activities aimed at systematic collection of data on the duties and responsibilities of individual positions, as well as the necessary professional qualifications for successful job performance. This analysis constitutes the basis for the development of job descriptions. Classification is the process of grouping jobs according to their function in the organisation (IT positions, legal positions, etc.) and level of complexity (technical jobs, advisory jobs, managerial jobs).

In 2016 institutions did not implement any activities in this segment of HRM. True, though, FBiH passed the *Regulation on Core Tasks within the Purview of the Civil Service which Are Performed by Civil Servants* (which introduces jobs analysis methodology in the civil service system of the Federation of BiH), but this activity was implemented in February 2016.

The only conclusion, therefore, is that the basis for the introduction and development of the practices established through the EU HRM project has yet to materialise, in particular at the state level and in RS.

Recruitment and selection

The process of *recruitment* involves activities to attract a wide pool of qualified candidates to apply for an open competition. In order for this to work, candidates need to have easy access to the notice of competition, as well as a straightforward and inexpensive way to apply. The *selection* process begins after the deadline for submitting applications, and includes vetting (i.e. separating those who do not meet the formal requirements of the competition), testing the candidates who meet the formal criteria and, finally, employing the highest-scoring candidate.

Without a doubt the most important activity in this area during the analysed period was the ruling of the Constitutional Court of FBiH (U 13/16⁸) which declared amendments to the FBiH Law on Civil Service unconstitutional. Specifically, the Court took the view that “...*there has been violation of procedure in adopting the disputed law (i.e. the law was adopted under urgent passage procedure), and, substantively, [the law] is at variance with the Constitution of FBiH, i.e. international instruments for the protection of human rights and fundamental freedoms which are an integral part of the constitutional order in FBiH*”. Additionally, the Constitutional Court of FBiH took the side of the Civil Service Agency of FBiH in that it found that the proposed amendments “... *marginalise the Agency and leave it out of the process of building a professional, politically independent, accountable and efficient civil service*”.

After the FBiH Government ignored the warnings regarding the controversial amendments which came from Brussels as well as a number of NGOs in the country, including the Trade Union of Civil Servants and Civil Service Employees of FBiH, the adopted amendments were annulled by the Constitutional Court of FBiH. That brought a temporary halt to the politicisation of the civil service in FBiH, particularly in the area of recruitment of senior civil servants, but it remains to be seen what steps the government will take next. There are rumours of activities being started to draft a new Law on Civil Service, but as yet they have remained unsubstantiated.

Other notable activities in the area of recruitment and selection in 2016 include the preparation of the project “Streamlining Recruitments in Civil Service”, which will be financed by the Public Administration Reform Fund. This project should enable the completion of work on the streamlining of recruitment and selection procedures (at all levels of government) which was started by the EU HRM project. Public procurement procedure for this project is underway.

⁸ The full text of the ruling of the Constitutional Court of FBiH can be downloaded from: <http://www.ustavnisudfbih.ba/hr/index.php>.

In terms of activities at individual administrative levels, the most active were representatives of FBiH, who adopted one new regulation in this area and aligned two additional regulations with recommendations of the EU HRM project. Specifically, they adopted the Regulation on the Conditions, Criteria and Procedure for Recruitment and Dismissal of Persons who Are not Civil Servants in the Civil Service in FBiH (Official Gazette of FBiH, No. 9/16), the Regulation Amending the Regulation on Core Tasks within the Purview of the Civil Service which Are Performed by Civil Servants, the Conditions for Performing Such Tasks and the Exercise of Certain Rights Arising from Employment (Official Gazette of FBiH, No. 9/16), and the Regulation Amending the Regulation on the Principles for Determining the Internal Organisation of Administrative Bodies and Administrative Organisations of FBiH (Official Gazette FBiH, No. 9/16). The major shortcoming of these three regulations concerns the fact that they do not include senior civil servants. However, the ruling of the Constitutional Court of FBiH opens the door to their being amended, whereby the provision for competence-based recruitment would be expanded to include all civil servants occupying managerial positions, as originally envisaged.

In addition to activities in FBiH, the CSA BiH also acted on the EU HRM recommendations and prepared the Rules on the Nature and Content of Public Job Competitions, the Manner of Conducting Interviews and Forms for Conducting Interviews, which was subsequently adopted by the Council of Ministers of BiH (Official Gazette, No. 63/16). The Rules, *inter alia*, introduced checks and assessment of candidates' competences. A similar document was prepared in RS, namely *The Concept for Conducting Entrance Interviews in the Public Competition Procedure in the Administrative Bodies of RS*, but was not operationalised in 2016.

It is also important to note that the recommendations from a regional study conducted for the Western Balkans by the Regional School for Public Administration (ReSPA)⁹ provided a tailwind to the last year's PARM report's recommendation relating to the need to record job interviews in order to increase the transparency of the recruitment process. In fact, one of the recommendations relating to BiH stresses exactly the need to increase transparency in recruitments at all levels. In this regard, the study calls for considering not only the possibility of recording job interviews, but also making them open and accessible to observers from the NGO sector.

⁹ The study was led by Prof. Jan Hinrik Meyer-Sahling from the University of Nottingham, and is available from <http://www.respaweb.eu/11/library#respa-publications-2017-7>

Performance monitoring

Performance monitoring involves activities through which the manager seeks to maximise the performance of his/her subordinates in order to help them meet targets and ensure professional development.

Last year, there were no significant activities in this area. The completed questionnaires show only activities related to the training of civil servants at the state level, where CSA BiH organised two training events on *performance management*. Other than that, there were no other activities directly related to performance monitoring.

As regards institutional discipline in carrying out performance appraisals, this being a legal obligation, it is worrying that only 31 state-level institutions (of a total of 76) submitted the appraisal report to CSA. Even if one is to allow for the possibility that many institutions had indeed carried out the appraisals, but failed to submit a report thereon, there remains the question of their attitude to the reporting obligation which is explicitly prescribed in the secondary legislation governing this area. The Civil Service Agency of RS reported that all institutions that were under a statutory obligation to carry out this appraisal had indeed done it, while the Civil Service Agency of FBiH did not provide any information in that regard.

Compensation for work

Compensation for work is a compensation received by the employee for the time and effort invested in carrying out the tasks listed in the job description. This includes a monthly salary, pension and health insurance, reimbursement for the cost of transportation to work, meals during working hours, and other types of remuneration.

Based on data collected from the surveyed institutions and those available from the PARCO, the only common activity in this area was the support provided by institutions to the development of the project "Support for Public Sector Management Reform in BiH" implemented by the World Bank. The project, *inter alia*, includes activities aimed at simplifying and streamlining the system of salaries and allowances.

The most significant activity in 2016 related to individual administrative structures in BiH was the adoption of amendments to the Law on Salaries of the

Employees in the Administrative Bodies of RS (December 2016).¹⁰ These amendments reduced the rate of so-called accumulated years of service for employees who have less than 25 years of service from 0.5% to 0.3% per year. Employees who have 25 or more years of service will retain the rate of 0.5%. In any case, the concept of accumulated years of service is quite questionable from the point of view of modern HRM, because it is unclear what is paid in this way and why. The effort, time and acquired competences are compensated through salary and other allowances. Outstanding dedication and results in work are compensated by way of awards and bonuses (however, these remunerations are largely suspended at all levels due to budget restrictions). Accumulated years of service may be comparable with the concept of loyalty bonus, but these are remunerations that depend on the context and in this case can only be offered by those organisations that have a difficulty attracting and retaining skilled people. The administrative structures in BiH rate very highly as desirable employers and have no reason whatsoever to further incentivise people to stay in the administration. In this regard, the RS Government's move is understandable, and complete abolition of this form of remuneration warrants serious discussion in BiH.

In FBiH, some institutions aligned their internal regulations governing the issue of salaries with the new Labour Law in FBiH and collective agreements (e.g. Privatisation Agency).

Professional development

Continuous training and professional development of civil servants is key to the efficient functioning of any institution. However, in addition to training as the most commonly used means of continuing professional education, there are many other types of professional development (e.g. mentoring, self-study, various types of study visits and other similar ways of acquiring knowledge).

Implementation of the project "ICT Training for Employees in Public Administration" started in 2015. The project was aimed at providing ICT training for civil servants and employees of local governments to perform tasks within the purview of administrative authorities. Training was provided to a total of 1746 employees at all administrative levels in BiH.

Furthermore, in 2016 all preparations were made for the implementation of two projects: "Development of Electronic Training for the Purposes of the Civil Service in

¹⁰ Document available at <http://www.narodnaskupstinars.net/?q=la/akti/usvojeni-zakoni/zakon-o-izmjeni-i-dopuni-zakona-o-platama-zaposlenih-u-organima-uprave-republike-srpske>

BiH” (public procurement procedures are currently underway) and “Improving Training Needs Assessment and Impact Evaluation” (implementation started in January 2017). These projects focus on some of the most pressing problems in this area. The development of electronic training is expected to lower the cost of participation in training courses without sacrificing quality. At the same time, improving methods for training impact evaluation remains perhaps the key challenge in this area. Even though all levels of government work towards providing as many of the required training courses as possible, the total number of training events is not a reliable indicator of whether the participants actually gained some new knowledge/skills and how this new knowledge really contributed to the betterment of institutions. Therefore, the project focusing on enhancing training impact evaluation is particularly welcome.

At the entity level, both FBiH and RS adopted strategic documents in the field of training for employees and elected officials in local government (for the period 2016-2020). This is certainly a very important activity because the continuous development of competences of employees, particularly elected officials, is essential for the overall success of the public administration reform. It would therefore be advisable to extend this activity to employees and elected officials at higher administrative levels.

As was the case in 2015, the public administration structures in BiH again reported a large number of professional training events organised for civil servants at all administrative levels. Thus, according to the central HRM institutions, various forms of training were provided to 2853 civil servants at the state level, 3112 in FBiH and 878 in RS.

Quality management

Quality management (QM) is a concept grounded in the effort of an institution to provide high-quality services to end users by fostering a responsible attitude towards work and the way it is organised.

Activities in this area are still mainly focused on raising awareness about the need for introduction of quality standards in the public administration. PARCO (with the help of GIZ) continues to play a leading role in popularising this concept in the administrative structures in BiH. About a third of the surveyed institutions reported having implemented some QM-related activities last year, indicating some progress in terms of awareness of this issue among the HRM staff in individual institutions.

However, no specific cases have been reported yet of adoption and application of any QM standards across entire institutions.

Resources invested in HRM reform

A review of the status of the PAR projects in the area of HRM in 2016 shows that there is continuity in assisting reform projects in this area. The greatest credit for this support certainly goes to the donors who make up the Public Administration Reform Fund, as well as other organisations – European Commission, SIDA and GIZ, which have all contributed greatly to this process.

At this point, little more than BAM 800,000 has been mobilised for reform activities through two projects (“Capacity Building for Combating Corruption in the Civil Service Structures in BiH” and “Improving Training Needs Assessment and Impact Evaluation”). One project was completed last year (“ICT Training for Employees in Public Administration”, with the total value of BAM 721,000), while bidding procedures are currently underway for two additional projects (“Development of Electronic Training for the Purposes of the Civil Service in BiH” – BAM 442,000, and “Streamlining Recruitments in Civil Service” – BAM 371,000).

It should further be noted that the activities towards launching the project “Establishment of HRM Departments in the Administration Bodies in BiH” were brought to a complete halt and that the funds appropriated for the project will be reallocated to other projects financed from the Public Administration Reform Fund (PARF). Also, GIZ reported that they had earmarked €260,000 for various activities in 2016. This amount includes activities related to the development of the IT system for HRM, as well as those aimed at building general HRM capacity in the civil service agencies in BiH, and efforts geared towards the furtherance of quality management systems in public administration. The table below provides an overview of basic information on implemented and planned projects.

PROJECT	DONOR	STATUS
Modernisation of Human Resources Management in the Civil Service	EU (IPA 2011)/ EUR 1,769,000.00	Completed (27/01/2016)
Establishment of HRM Departments in the Administration Bodies in BiH	PARF/BAM 1,594,711.22	Public procurement cancelled (funds to be reallocated)
ICT Training for Employees in Public Administration	PARF/BAM 721,041.75	Completed (21/02/2017)

Capacity Building for Combating Corruption in the Civil Service Structures in BiH	PARF/BAM 464,490.00	Implementation started (10/05/2016)
Development of Electronic Training for the Purposes of the Civil Service in BiH	PARF/BAM 442,868.40	Funds budgeted (public procurement underway)
Streamlining Recruitments in Civil Service	PARF/BAM 371,276.10	Funds budgeted (public procurement underway)
Improving Training Needs Assessment and Impact Evaluation	PARF/BAM 352,023.75	Implementation started (26/01/2017)
Improving the IT system in the Civil Service Agency of FBiH, the Civil Service Agency of RS, and the Subdivision for Human Resources of the Brčko District of BiH	PARF/BAM 679,770.00	Funds earmarked (project pending approval of project documentation)

On the whole, HRM reforms have had ongoing support from donors. Domestic institutions continue to contribute to the reforms mainly by delegating people to work on various projects, although there are examples where institutions organise specific professional training or activity on their own (e.g. improving human resources planning, drafting new rules on staffing, etc.). There remains, however, the legitimate question as to the effectiveness of technical assistance projects. The recent example of the EU HRM project indicates that the two-year efforts and BAM 3.5 million spent resulted in only two truly new pieces of secondary legislation (one in FBiH and one at the state level). Everything else that the project worked on devotedly – including the fundamentally important areas of HR planning and analytical job evaluation – is still pending some concrete action by the relevant authorities from different administrative structures in BiH.

CONCLUSIONS

Review of activities in the field of HRM in the civil service structures in BiH in 2016 shows some positive developments, but these developments are insufficient and disproportionate to the resources invested. Obviously, if political responsibility for the reform remains vague, the processes will continue to move slowly, because those who support them (i.e. the so-called ‘technical level’ composed of senior civil servants) will objectively not be able to do a lot.

The single most important events in 2016 are certainly the ruling of the Constitutional Court of FBiH and work on developing a new strategic document for PAR in BiH. The Constitutional Court of FBiH showed that the politicisation of the civil service must be replaced by attempts towards its professionalisation, which will serve as a reminder to advocates of political patronage in recruitments at other levels in BiH that their efforts could be in vain.

Most activities were again seen in the area of enhancing general professional capacity of mid-level managerial and non-managerial professional staff. This is certainly important, but the key to reforms in the administrative culture of BiH are changes to regulations. In this regard, for example, training people in job analysis makes sense only if there is a legal basis for the implementation of such analysis. Without it, the value of training comes down merely to awareness raising about the need to adopt a particular practice.

Also, it is important to point out that independent activities by institutions on reforming HRM functions are a very uncommon occurrence. Institutions largely rely on technical assistance projects, which, besides the fact that all civil service structures in the country have a shortage of qualified people to take on the role of “reformers”, probably indicates a certain amount of opportunism – it is easier to wait for projects to initiate change. However, by way of an argument in favour of institutions, it should be noted that the high degree of centralisation in decision-making has led to civil servants being able to demonstrate their competence only if the management has a sympathetic ear for new ideas and reform proposals.

Recruitment process remains the most vulnerable point in the entire HRM system. It is necessary to continue with the introduction of competence tests for civil service jobs and increase transparency of the whole process. BiH citizens do not have trust in the fairness of the recruitment procedures and must be given the opportunity to gain maximum understanding of how recruitments are made.

In some areas there have been barely any reform activities, but this need not be regarded as necessarily a negative phenomenon. In fact, in some areas, such as performance appraisal, existing procedures meet the standards of modern HRM and there is no need for further intervention. However, the lack of activities in areas such as job analysis, implementation of analytical job evaluation (basis for the salary system) or quality management can hardly be justified.

All in all, the analysis shows that progress in 2016 has been inadequate. Expectations that the Reform Agenda, adopted in 2015, will provide the necessary momentum to reforms, at least from the perspective of HRM as a component of the public administration reform, have turned out to be naive.

Annex 1 – List of the institutions that returned PARM questionnaires

BiH institutions:

1. Civil Service Agency,
2. Public Administration Reform Coordinator's Office,
3. Ministry of Civil Affairs,
4. Ministry of Finance,
5. Directorate for European Integration,
6. Communications Regulatory Agency,
7. Market Surveillance Agency,
8. Agency for Development of Higher Education and Quality Assurance,
9. Agency for Prevention of Corruption and Coordination of the Fight against Corruption,
10. Ministry of Security,
11. State Investigation and Protection Agency,
12. Personal Data Protection Agency,
13. Indirect Taxation Authority,
14. Central Election Commission,
15. Agency for Identification Documents, Registers and Data Exchange.

FBiH institutions:

1. Ministry of Finance of FBiH,
2. Ministry of Education of FBiH,
3. Civil Service Agency of FBiH,
4. Tax Administration of FBiH,
5. Ministry of Agriculture, Water Management and Forestry of FBiH,
6. Ministry of Physical Planning of FBiH,
7. Banking Agency of FBiH,
8. Agency for Privatisation in FBiH,
9. Ministry of Trade of FBiH,
10. Office of Statistics of FBiH,
11. Archive of FBiH,
12. Ministry of the Interior of FBiH,
13. Institute for Development Programming of FBiH.

RS institutions:

1. Civil Service Agency,
2. Ministry of Public Administration and Local Self-Government,
3. Ministry for Refugees and Displaced Persons,

4. Administration for Inspection Affairs of RS,
5. Agency for Development of Small and Medium Enterprises of RS,
6. Institute of Statistics of RS,
7. National Assembly of RS,
8. Pedagogical Institute of RS.

Annex 2 - List of institutions that have failed to return PARM questionnaires

BiH institutions:

1. Ministry of Justice,
2. Ministry of Foreign Affairs,
3. Ministry of Defence,
4. Ministry for Refugees and Displaced Persons,
5. Central Harmonisation Unit (Ministry of Finance and Treasury of BiH),
6. Directorate for Coordination of Police Bodies of BiH (Ministry of Security of BiH),
7. Ministry of Transport and Communications,
8. Directorate for Economic Planning,
9. Ministry of Foreign Trade and Economic Relations,
10. Agency for Statistics of BiH.

FBiH institutions:

1. Ministry of Justice of FBiH,
2. Ministry of Displaced Persons and Refugees of FBiH,
3. Ministry of Health of FBiH,
4. Directorate for Commodity Reserves of FBiH,
5. Administration for Geodetic and Real-Property Affairs of FBiH,
6. Securities Commission of FBiH of FBiH,
7. Public Health Institute of FBiH,
8. Parliament of FBiH,
9. Employment Service of FBiH,
10. Ministry of Transport and Communications of FBiH,
11. Directorate for Military Industry of FBiH,
12. Ministry of Energy, Mining and Industry of FBiH.

RS institutions:

1. Ministry of Finance,
2. Ministry of Labour and Veterans Protection,
3. Helicopter Service of RS,
4. Ministry of Agriculture, Forestry and Water Management,
5. Ministry of Health and Social Welfare,
6. Ministry of Justice,
7. Ministry of Spatial Planning, Civil Engineering and Ecology,
8. Banking Agency of RS,
9. Administration for Geodetic and Real-Property Affairs,

10. Tax Administration,
11. Ministry of Industry, Energy and Mining,
12. Ministry of Economic Relations and Regional Cooperation,
13. Administration of Civil Protection,
14. Directorate for Commodity Reserves,
15. Ministry of Family, Youth and Sports,
16. Administration for Games of Chance,
17. Ministry of Science and Technology.

Brčko District

Department of Human Resources of the Government of Brčko District.