

Background...	Restructuring...	Senior Management...	Challenges...
Legal Framework...	Organisation of HR...	Industrial Relations...	
Composition...	HR Management...	Reforms...	

Background

Employment in central government under the main General Employment Framework (GEF):¹

2009:	192 694	Full-time equivalents (FTEs)
2011:	186 113	FTEs

Total employment in the general government sector as a percentage of labour force (2011):[†]

11.5%

Central human resources management body:

No central HR unit exists.

Government production costs (2010)^{††}



Government centralisation (2008)^{††}



Type of recruitment system (2010)



Legal Framework

GEF covers all employees:	No
GEF includes fixed-term contracts:	No
Private law applicable in public sector:	Yes

Employees in the public sector in Germany are divided into civil servants and public employees. Civil servants are employed under the principal GEF and are governed by the Act on Federal Civil Servants. Their status is enshrined in the constitution; they are usually employed on life tenure with no possibility of temporary work; they are not allowed to strike; dismissal is only permitted

due to severe misconduct; and they receive full funding of pensions. Temporary employment is allowed for other public employees for up to two years, with extensions granted on valid grounds. Public employees' legal employment status is very similar to that of the private sector. Roughly two-thirds of federal employees belong to the civil service.

N/A = Not Applicable	Public employees have the right:		Benefits, to which public employees are entitled to, are:			Firing rules provide:	
	to unionise	to strike	Full funding of social security	Partial funding of social security	Some funding of pensions	Different guarantees about job protection / dismissal	Guarantees in favour of life-long employment
Public sector	Yes	Yes	No	Yes	N/A	No	Yes
Private sector	Yes	Yes	No Data	Yes	Yes	No	No Data

Composition of Employment

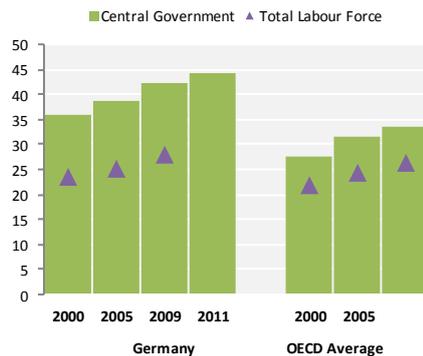
Central government employment (2011)¹

Total employment under GEF:	186 113 FTEs
Part-time employment:	27 879 employees
<i>Part time is defined as less than 95% of full-time hours.</i>	

Gender in central government (2011)¹

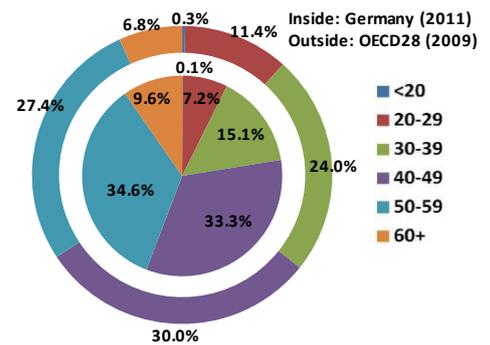
Female participation in central government workforce:	35.7%
Share of top and middle positions who are women:	20.2%

¹ Data are for federal ministries and direct federal administration only.



Percentage of employees aged 50 years or older in central government and total labour force (2000, 2005 and 2009)*

The vast majority of part-time employees work between 50% and 95% of full-time hours, with staff who work less than 80% receiving partial retirement benefits. The age structure of total public employment is substantially skewed towards older employees. The proportion of all public employees aged 50 or older, 44.2% in 2011, is well above the OECD average of 34.3%. The representation of this group in both the public and private sectors is growing, roughly in line



Age structure of central government

with the OECD average trend. There is also a notably smaller proportion of employees under the age of 30, standing at 7.3% in 2011 compared to the OECD average of 11.7%. Women are under-represented in public employment. Women accounted for 35.7% of federal employment in 2011, substantially below the OECD average of 49.5%. In addition, the proportion of women in management positions, 20.2% in 2011, is also below the OECD average of 34.7%.

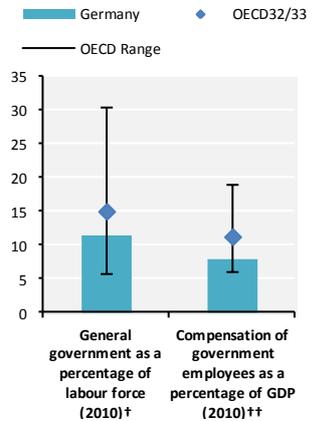
Public Sector Restructuring

Germany is one of 25 OECD countries that reported an anticipated decrease in public employment levels as a result of planned reforms. A fiscal consolidation plan that began in 2011 includes up to 10 000 jobs cut from the federal administration by 2014—a goal that had already been reached in 2012.~ The government is not permitted to dismiss civil servants when it seeks to restructure. Public employment as a percentage of the labour force, 11.5% in 2011, is substantially below the OECD average of 15.1%. Similarly, compensation of public employees as a percentage of GDP, 7.9% in 2010, is below the OECD average of 11.3%.

Anticipated reforms' effect on employment level: Decrease

Implemented changes in employment levels affecting more than 50% of ministries/agencies since 2000:

- Discretionary hiring / dismissal
- Contracting out
- Reorganisation / restructuring



Organisation of HR Management

Decentralisation of HR Management

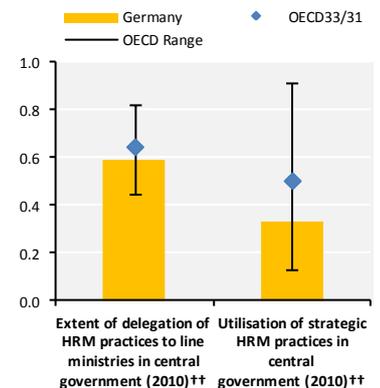
Central HRM unit:	No central HR unit exists.
Personnel, budget and pay delegation:	<ul style="list-style-type: none"> • Pay systems and budget allocation are managed centrally, with some control delegated to ministries on the latter issue. • Bonuses are set centrally, with some latitude given to ministries in application. • The distribution of posts is managed by ministries.
Classification, recruitment and dismissal delegation:	<ul style="list-style-type: none"> • The post classification system, contract duration, career management and dismissal following misconduct are managed centrally. • Recruitment is managed by ministries.
Employment conditions delegation:	<ul style="list-style-type: none"> • The code of conduct and equal opportunity issues are managed centrally. • Working conditions and performance appraisal are managed by ministries, with some central co-ordination in the flexibility of working conditions.

Germany delegates HRM practices to line ministries to a slightly lesser extent than the average OECD country. Despite having no specific central HRM unit, many HRM issues are managed centrally. Ministries manage their own recruitment, the distribution of posts, performance and working conditions, with units/teams having no delegated responsibilities. Overall, delegation has led to broadly comparable employment frameworks across the whole of federal government. Germany makes substantially

less use of strategic HRM practices compared to the OECD average. No accountability framework exists for management and regular assessment of organisations' HRM capacity is undertaken by the organisations themselves. Reviewing and identifying the staff needed for a specific task, and identifying staffing needs, is a legal obligation. Forward planning is used and considers a full range of aspects, although no binding rules apply to the horizon covered.

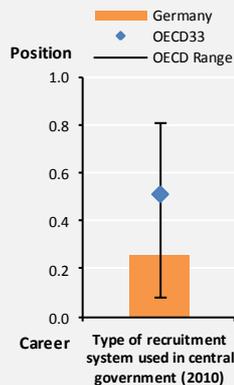
Strategic HR Management

Existence of HRM accountability framework for managers:	No, HRM is only marginally linked to planning and reporting.
HRM targets feed performance assessments:	Not applicable
Regular HRM assessment of ministries and departments:	Conducted internally
Framework requires top & middle management to plan and report on:	Not applicable
Forward planning use:	Yes, with framework design left to discretion of different organizations.
Forward-planning horizon:	1 year, with no binding rules.
Key aspects explicitly considered in forward planning:	<ul style="list-style-type: none"> • New issues in policy delivery • Civil service demographics • Possibilities for outsourcing • Possibilities for relocating staff • Efficiency savings (for example, through e-government)

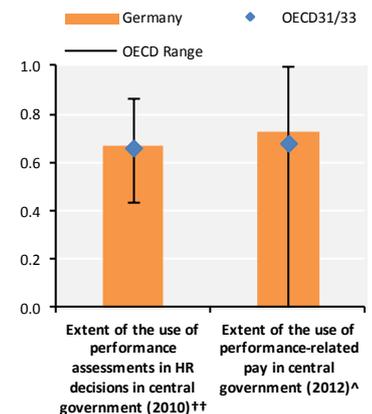


HR Management Practice

RECRUITMENT: The recruitment system in the German public service is skewed towards a career-based system. Entry into the public service is gained through a competitive examination for a specific post, with selection managed at the level of organisations. No posts are open to external recruitment and external applicants first have to apply for entry into the public service. However, there have been some measures to increase the use of external recruitment for professionals. Disabled persons have preferential right for a job interview and receive preference in the selection process. Women are also entitled to preference in the selection process and are subject to hiring targets of: 12.2% of top management; 14.1% of middle management; 26% of professionals; 23.3% of secretarial positions; and 20.5% of technical support.



PERFORMANCE: Germany makes as much use of performance assessment in HR decisions as the average OECD country. Assessment is mandatory for almost all employees and takes the form of a meeting with, and written feedback from, the immediate superior every two years. A broad range of criteria is used, including activities undertaken, timeliness and quality of outputs, improvement of competencies and interpersonal skills. Assessment is of high importance to career advancement and contract renewal in the public service, and lesser importance to remuneration. Germany uses more performance-related pay (PRP) than the average OECD country. PRP is used for most employees in the form of one-off bonuses which can represent 6-10% of base salary.



PAY SETTING: Base salary and bonuses for public employees are set in a single, comprehensive agreement for the whole federal government through a collective bargaining framework. Pay is not indexed to other variables and is revised every two years. In general, civil servant remuneration is adjusted in line with the agreement reached for public employees. Performance, relevant experience and qualifications are the most important determinants of base salary for all grades, with job content also of some relevance. Seniority based pay is no longer in use.

Most important factors to determine base salary	Top Management	Middle Management	Professionals	Secretarial Level	Technical Support
Educational qualification	●	●	●	◐	◐
Job content	◐	◐	◐	◐	◐
Ministry	○	○	○	○	○
Performance	●	●	●	●	●
Age	○	○	○	○	○
Seniority in the position	○	○	◐	◐	◐
Relevant experience	●	●	●	●	●

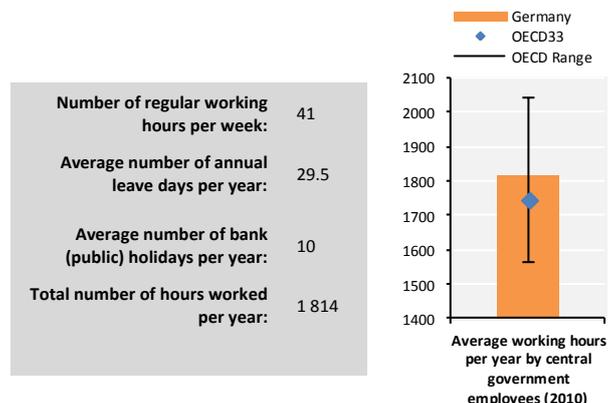
● Key importance ◐ Somewhat important ○ Not at all important

PROMOTIONS: Years of experience, performance appraisals and qualifications are factors in promotion decisions for all grades of public servants. To change between job categories, employees must take an examination and minimum education requirements apply. Openings are placed on a transparent listing which is accessible government wide. The HR department compiles a shortlist of candidates, there is systematic use of panels, some use of assessment centres and the decision of the panel/centre is binding.

MOBILITY: Data are unavailable regarding internal mobility; however, there are plans to increase the publicity of available positions. External mobility is not promoted and staff risk losing pensions rights if they do not return to the public service.

TRAINING: Initial training of one week's length upon entry into the public service is standard for all staff and is differentiated by seniority level. The average length of training received per employee is 1-3 days per year.

WORK CONDITIONS: The average yearly working hours in Germany, 1 814 hours in 2010, is above the OECD average of 1 745 hours. This is driven by more weekly work hours and is partially offset by several extra days of annual leave. The average number of sick days taken per year is 16.32 days and a medical certificate is only required after three days of illness.

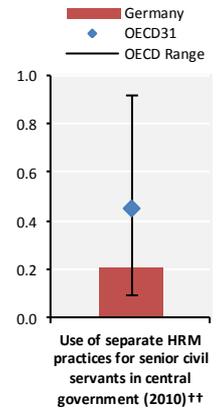


Number of regular working hours per week:	41
Average number of annual leave days per year:	29.5
Average number of bank (public) holidays per year:	10
Total number of hours worked per year:	1 814

Senior Management

Germany uses separate HRM practices for senior civil servants (SCS) to a substantially lesser extent than the average OECD country. SCS are not considered a separate group and there are no policies to identify potential leadership early in their careers. A centrally defined skills profile for senior management applies to some organisations only. More emphasis is placed on the management of senior managers' performance and potential conflicts of interest. Senior managers are

selected through competitive examination and managed as a group throughout their careers. The minister, others in ministry and the HR department of the ministry have influence over the appointment/dismissal of all management levels. Many state secretaries (highest level) and directors general (second highest level) turn over with a change in government, but no other management levels do so.



Industrial Relations

Civil servants in Germany have no legal right for collective bargaining, although unions are allowed to participate in the development of rules regulating the legal conditions of civil servants. The representation of the employer's side in social dialogue is the Ministry of the Interior, whilst on the employees' side are the German Trade Union Federation, composed of eight member unions, and the German Civil Servant's Federation, composed of 39 member unions. By law, consultation with unions is mandatory regarding base salary and bonuses, which are negotiated centrally. Unions are consulted

voluntarily regarding work conditions, the employment framework, equal opportunities, training and the code of conduct, which are also negotiated centrally. The introduction of new management tools and government restructuring are negotiated at delegated levels but do not involve unions. There is no negotiation over the right to strike/minimum service arrangements and civil servants are not permitted to strike, whereas other public employees are, subject to convention. All public service employees are granted the right to unionise.

Reforms

No information was provided regarding reforms to HRM policies.

Challenges

Over the next ten years, more than one million federal and state employees will reach retirement age and leave the German public service. Demographic change will lead to shortages of skilled workers and a higher average age among employees. For this reason, recruiting, training and retaining staff and investing more in systematic and age-appropriate advanced training of employees have

become important priorities. Fostering employees' willingness and ability to learn throughout their careers is also an area of emphasis, using flexible ongoing training courses which are integrated into the work routine with the help of new media and learning platforms. This emphasis includes designing work with the needs of ageing employees in mind.

Sources

Unless indicated otherwise, all data are sourced from OECD (2010), *Survey on Strategic Human Resources Management in Central/Federal Governments*, unpublished.

* Data for Total Labour Force from OECD *Labour Force Statistics Database*; data for Central Government from OECD (2011), *Government at a Glance 2011*.

† Data from International Labour Organization (ILO) *LABORSTA Database* and OECD *National Accounts Statistics*. See Methodological Note.

†† OECD (2011), *Government at a Glance 2011*, OECD Publishing, Paris.

~ OECD (2012), *Restoring Public Finances, 2012 Update*, OECD Publishing, Paris.

° OECD (2010), *Survey on the Compensation of Employees in Central/Federal Governments*, unpublished.

^ OECD (2012), *Rewarding Performance in the Public Sector: Performance-related Pay in OECD Countries*, unpublished.

Further Reading

OECD (2012), *Public Sector Compensation in Times of Austerity*, OECD Publishing, Paris.

OECD (2011), *Public Servants as Partners for Growth: Toward a Stronger, Leaner and More Equitable Workforce*, OECD Publishing, Paris.

OECD (2011), *Government at a Glance 2011*, OECD Publishing, Paris.

OECD (2008), *The State of the Public Service*, OECD Publishing, Paris.