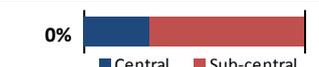


Background...	Restructuring...	Senior Management...	Challenges...
Legal Framework...	Organisation of HR...	Industrial Relations...	
Composition...	HR Management...	Reforms...	

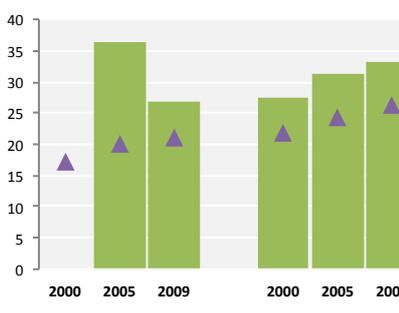
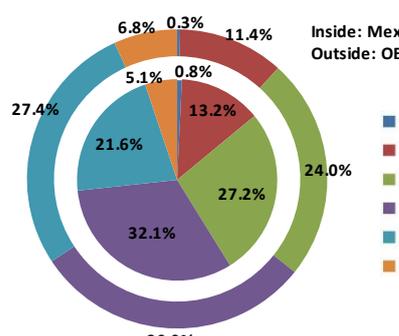
Background

<p>Employment in central government under the main General Employment Framework (GEF):¹</p> <p>2009: 330 632 employees</p> <p>Total employment in the general government sector as a percentage of labour force (2010):[†]</p> <p>9.0%</p>	<p>Central human resources management body:</p> <p>Unit of Human Resources and Organization Policy</p> <p>Government production costs (2010)^{††}</p> 	<p>Government centralisation (2008)^{††}</p>  <p>Type of recruitment system (2010)</p> 
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Legal Framework

<p>GEF covers all employees: No</p> <p>GEF includes fixed-term contracts: Yes</p> <p>Private law applicable in public sector: No</p>	<p>Public employment in Mexico's central public administration is governed by the Federal Law of State Service Workers that divides public employees into two groups: unionised, with guarantees of life-long employment; and non-unionised. Other relevant legislation includes the Law of the Professional Career Service, applicable in</p>	<p>74 out of 81 central institutions; and the Administrative Manual of General Application in the area of Planning, Organisation and Administration of Human Resources. Fixed-term contracts with conditions similar to that of open-term employment are covered under the GEF.</p>																														
<p>Staff have the right:</p> <table border="1"> <tr> <td></td> <td>to unionise</td> <td>to strike</td> </tr> <tr> <td>Public sector</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>Private sector</td> <td>Yes</td> <td>Yes</td> </tr> </table>		to unionise	to strike	Public sector	Yes	Yes	Private sector	Yes	Yes	<p>Benefits, to which employees are entitled to, are:</p> <table border="1"> <tr> <td></td> <td>Full funding of social security</td> <td>Partial funding of social security</td> <td>Some funding of pensions</td> </tr> <tr> <td>Public sector</td> <td>No</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>Private sector</td> <td>No</td> <td>Yes</td> <td>Yes</td> </tr> </table>		Full funding of social security	Partial funding of social security	Some funding of pensions	Public sector	No	Yes	Yes	Private sector	No	Yes	Yes	<p>Firing rules provide:</p> <table border="1"> <tr> <td></td> <td>Different guarantees about job protection / dismissal</td> <td>Guarantees in favour of life-long employment</td> </tr> <tr> <td>Public sector</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>Private sector</td> <td>Yes</td> <td>No</td> </tr> </table>		Different guarantees about job protection / dismissal	Guarantees in favour of life-long employment	Public sector	Yes	Yes	Private sector	Yes	No
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Public sector	Yes	Yes																														
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Composition of Employment

<p>Central government employment (2009)¹</p> <p>Total employment under GEF: 330 632 employees</p> <p>Part-time employment: Not applicable</p> <p><i>There is no part-time employment in central government.</i></p> <p>Gender in central government (2009)¹</p> <p>Female participation in central government workforce: 36.3%</p> <p>Share of top and middle positions who are women: No Data</p> <p>¹ Data are for core ministries and agencies of central/federal governments</p>	<p>Percentage of employees aged 50 years or older in central government and total labour force (2000, 2005 and 2009)*</p> 	<p>Age structure of central government 2009</p> 
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There are 1.7 million employees in the federal public administration, of which 330 632 belong to the central public administration. The Professional Career Service covers 42 469 non-unionised positions. Part-time employment is not used in the civil service in Mexico. The age structure of the civil service is fairly young, with the percentage of public employees aged 50 or older, 26.7% in 2009, being substantially below the OECD average of 34.3% However, this level is above that of the total labour market, which means there are proportionally more older employees in the public sector than in the private sector, which is consistent with the average OECD trend. In addition, the proportion of under 30 year olds, 14% in 2009, is above the OECD average of 11.7%. The representation of women in public employment appears quite low—36.3% of central government employees in 2008—compared to the OECD average of 49.5%. Data are unavailable regarding female participation in management.

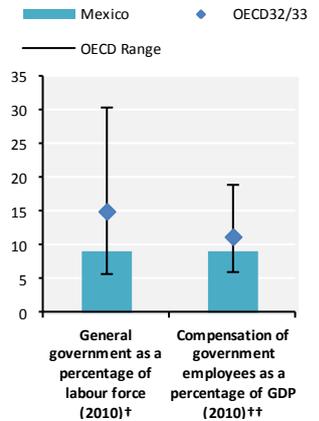
Public Sector Restructuring

Data are unavailable regarding the anticipated changes to employment levels resulting from planned reforms. Since 2007, Mexico has implemented ad hoc budget cuts, organisational restructuring and decentralisation of some activities. In 2010, the National Programme for the Reduction of Public Expenditure was implemented, which included: a review of the administrative framework for public employment; the standardization of administrative processes; a 3% decrease in senior management structures; and across-the-board reduction in staff, which resulted in the elimination of 15 000 positions. In addition, salaries of management positions have been frozen for 10 years and no public employee can earn more than the president. Dismissal of open-term employees is allowed, with the employee receiving a negotiated allowance, and voluntary departures are regularly encouraged. General government sector employment (excluding public corporations) as a percentage of the labour force, 9.0% in 2010, is well below the OECD average of 15.1%, and lies in the lower region of the range. Compensation of public employees as a percentage of GDP, 9.1% in 2010, is of a similar level, but only mildly below the OECD average of 11.3%.

Anticipated reforms' effect on employment level: No data

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

- Discretionary hiring / dismissal
- Hiring freeze / non replacement of retiring staff
- Change in retirement age
- Reorganisation / restructuring



Organisation of HR Management

Decentralisation of HR Management

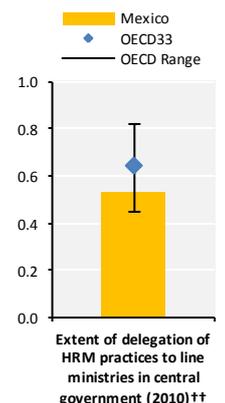
Central HRM unit:	Unit of Human Resources and Organization Policy
Role:	Responsible for defining HR policy
Location:	Ministry of Public Administration
Responsibilities:	<ul style="list-style-type: none"> • Manage HRM at central/national level • Provide leadership and guidance • Design HR strategy • Coordinate and supervise HR policy/strategy • Provide advice on legal framework • Design the pay system • Transmit public service values • Define and control the payroll • Standardise recruitment and skills profiles • Define salary levels and benefits • Provide training • Promote diversity • Manage retirement and pension plans • Performance evaluation • Professional development
Personnel, budget and pay delegation:	<ul style="list-style-type: none"> • The pay system, allocation of budget, bonuses and the distribution of posts are set centrally, with some latitude for ministries.
Classification, recruitment and dismissal delegation:	<ul style="list-style-type: none"> • The post classification system, recruitment, contract duration, career management and dismissal are all managed centrally, but involve ministries in the application of rules.
Employment conditions delegation:	<ul style="list-style-type: none"> • Working conditions, the code of conduct and equal opportunities issues are managed centrally, but involve ministries in the application of rules. • Performance appraisal is managed centrally.

Mexico delegates HRM practices to line ministries to a lesser extent than the average OECD country. The central HRM body is responsible for a comprehensive range of issues and plays a large role in the management of personnel, pay, employment conditions and performance. Despite this, there is some delegation, as ministries are involved in all of these issues except performance management. Overall, delegation has led to broadly comparable employment frameworks across all central

Strategic HR Management

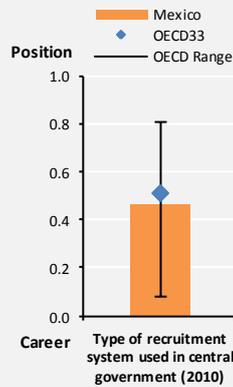
Existence of HRM accountability framework for managers:	Yes, and HRM is linked to strategic objectives.
HRM targets feed performance assessments:	Yes
Regular HRM assessment of ministries and departments:	Yes
Framework requires top & middle management to plan and report on:	<ul style="list-style-type: none"> • Compliance with HR rules & targets for employment and pay • Effectiveness of strategic workforce planning efforts • Workforce strategies to close competency gaps • Participation in whole of central government initiatives
Forward planning use:	Yes, with regular, systematic process.
Forward-planning horizon:	6-9 years
Key aspects explicitly considered in forward planning:	<ul style="list-style-type: none"> • New issues in policy delivery • Efficiency savings (for example, through e-government)

government. In addition, Mexico utilises a range of strategic HRM practices. An accountability framework for management is linked to strategic objectives and management is required to report on a range of HR issues. Performance appraisals consider HRM targets and regular assessments of ministries' HRM capacity are undertaken. Systematic forward planning covers a long horizon but few issues.

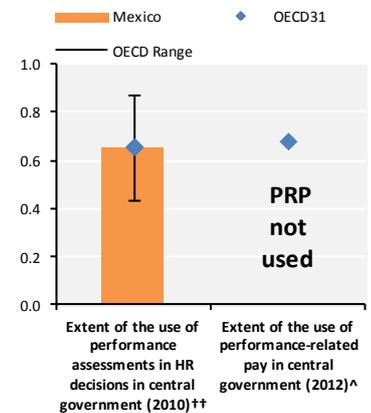


HR Management Practice

RECRUITMENT: Mexico utilises a recruitment system which is a combination of position-based and career-based systems. Recruitment for the Federal Public Administration often consists of an examination administered by ministries, although some groups in the civil service use a centralised examination and others recruit through direct application and interview. Some posts are open to external applicants and action has recently been taken to decrease the use of external recruitment for middle management and professionals. No specific policies are in place to increase recruitment of under-represented groups.



PERFORMANCE: Mexico makes use of performance assessment in HR decisions consistent with the average OECD country. Assessment is mandatory for only some staff and takes the form of an annual meeting with, and written feedback from, the immediate superior, as well as the superior two levels above or HR officer. A range of criteria is used, including improvement of competencies, values, timeliness and quality of outputs, and activities undertaken. Assessment is highly important for career advancement and contract renewal. On the other hand, Mexico is one of six OECD countries that do not use performance-related pay.



PAY SETTING: Base salary is set through a centralised negotiation between government and unions for the entire central government. Base salary is indexed to inflation and revised annually. Educational qualifications, job content and relevant experience are important determinants of base salary for all levels, with the specific ministry, performance and age of lesser importance. Seniority based pay is not 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

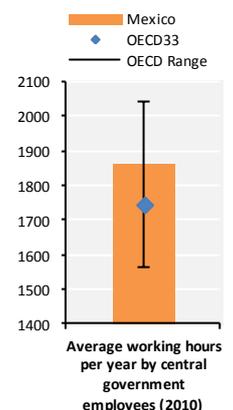
PROMOTIONS: Educational qualifications, performance appraisals and years of experience contribute to promotion decisions for all grades of staff. Public employees need to take an examination in order to change between hierarchical grades. All vacancies are placed on transparent listings which are accessible government wide, and no specific policies are in place to advance the promotion of under-represented groups.

MOBILITY: Data are unavailable regarding internal mobility and there are no plans to increase or decrease it. External mobility is not promoted in the Mexican public service and employees on external posts risk losing pension rights if they do not return to the public service.

TRAINING: Initial training is undertaken by all entrants into the civil service and differs by ministry. On average, civil servants receive 3-5 days, or the equivalent of 40 hours, of training per year.

WORK CONDITIONS: The average yearly working hours in Mexico, 1 862 hours in 2010, is substantially above the OECD average of 1 745 hours. This is driven by a longer working week, less annual leave and fewer public holidays. Data are unavailable regarding absenteeism in the public service.

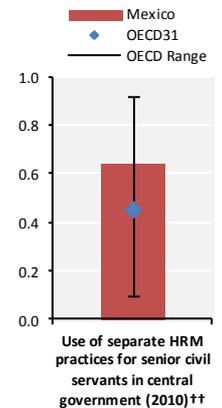
Number of regular working hours per week:	40
Average number of annual leave days per year:	20
Average number of bank (public) holidays per year:	8
Total number of hours worked per year:	1 862



Senior Management

Mexico uses separate HRM practices for senior civil servants (SCS) as part of the Professional Career Service (SPC). The SPC includes positions such as director general, assistant director general, deputy director, assistant deputy director, and head of department that can be considered as part of the SCS. There is a centrally defined skills profile applicable to this group. The SCS are recruited through open competition to establish transparency and ensure the appointment of the best person for any given job. Career progression in the public service is possible but many positions are also

open to external recruitment. Recruitment for each position is treated as a stand-alone operation and candidates must put themselves forward for each vacancy. Assessment centres are regularly used in recruiting senior managers and their final decision is binding. The relevant minister appoints/dismisses undersecretaries (highest level) and heads of unit (second highest level). Many advisors, undersecretaries and heads of unit turn over with a change in government, as well as a few general directors.



Industrial Relations

Public service unions are actively involved in industrial relations in Mexico but do not receive public funding. Agreement with public service unions is mandatory regarding base salary, bonuses and the employment framework, which are negotiated centrally. By law, unions must be consulted regarding work conditions, the right to strike/minimum service, the code of conduct and the introduction of

new management tools. The two former issues are negotiated centrally, whereas the latter two issues are negotiated at both central and delegated levels. Government restructuring is negotiated centrally and consultation of unions is voluntary on the issue. Only some public employees are granted the right to unionise and strike, and the latter is not permitted if in relation to particular motives.

Reforms

In September 2012, an updated Handbook of Human Resources and Career Services was published, focusing on two issues: the government shift to competency management and self-management units. The aim of the shift to competency management is to adopt it as a system for changing the culture of the public sector, to become a more intelligent, flexible, agile, and transparent public administration.

Self-management units are intended to be a space of collaboration, educational programs and training, where the “know-how” of the agency is used to help develop core competencies, capabilities, technical knowledge, job skills, performance skills, core values and priorities among the institutions of the federal public administration.

Challenges

A key challenge for Mexico is to consolidate the Professional Career Service as a core instrument of the government to ensure having a talented, diverse, high-performing, knowledge-based and professional workforce to meet its strategic objectives. To this aim, using strategic workforce planning is essential to align the structure and function of the civil service with the goals of government. Similarly, Mexico needs to ensure that recruitment is based on merit and that permanence is determined through satisfactory performance to enhance dynamism and fairness in the management of public organisations and public employees. A critical step for Mexico is to create a performance culture where strengthening management accountability is of significant importance. There is a need to further clarify the political-

administrative interface, in order to enhance the credibility of the SPC, while maintaining clear political accountability.

Mexico should consider expanding the principles of professionalisation to all federal public servants—unionised (base) and non-unionised (*confianza*) and to local governments. This implies fostering mechanisms for sharing experience and know-how across the federal public administration and levels of government, and developing evaluation frameworks and methodologies for constant oversight and a systematic assessment of the government’s initiatives on workforce management.

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.

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Further Reading

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