



REPUBLIC OF SLOVENIA  
MINISTRY OF PUBLIC  
ADMINISTRATION



EUROPEAN UNION  
EUROPEAN SOCIAL FUND



# Ageing and Talent Management in European Public Administrations

*A report prepared by the OECD for the Slovenian Presidency of the Council  
of the European Union*

October 2021

# Foreword

The public service in European countries is ageing. This presents a number of workforce management challenges, such as ensuring a pipeline of public servants able to ensure policy delivery in an increasingly complex environment. However, focussing only on the challenges of managing older public servants misses the trend toward an increasingly multigenerational workforce. This has many potential benefits. Developing strategies and tools to manage the aspirations, expectations and needs of this multigenerational workforce is a core aspect of building public service capability.

The field of talent management offers a way forward in this regard. Talent management can be understood as the proactive use of strategies to adjust workforce management to the needs of specific groups in order to fulfil organisational objectives. It relates to the systematic attraction, identification, development, retention and deployment of talent within a particular organisation. Building on the results of an OECD survey, this report finds scope for greater application of talent management practices in European public administrations. Some practices, such as mentoring or retirement planning, may directly address the needs of older workers. But the broader suite of talent management practices – and greater consistency in planning, implementing and evaluating them – stand to benefit public servants from all generations. As European public administrations work to emerge stronger from the pandemic, more proactive use of talent management practices can help ensure that all generations can contribute their best to public service.

This report was prepared for the Slovenian Ministry of Public Administration in the context of the Slovenian Presidency of the Council of the European Union in 2021. Addressing the impacts and consequences of demographic changes for European public administrations and exploring the potential of talent management in the context of ageing workforces is the underlying topic of this Presidency. This report presents trends, promising practices and recommendations for effective ageing and talent management in the public administrations across EUPAN member states.

The report is based, in part, on a paper by Dr. Ellen Fobé. Dónal Mulligan and Daniel Gerson of the OECD's Public Management and Budgeting Division in the Public Governance Directorate coordinated the project and provided analytical and drafting support. François Villeneuve provided support with data analysis. Piret Tõnurist and Joshua Polchar from the OECD Observatory of Public Sector Innovation (OPSI) developed the scenarios and innovation prototypes referred to in this report.

The OECD would like to thank the Slovenian Ministry of Public Administration for their ongoing support and collaboration. Special thanks are extended to the coordinating team in the Ministry: Peter Pogačar, Anja Majer, Urša Grm, Matija Kodra, Jelena Tabaković and Ksenija Klampfer.

# Table of contents

Foreword	2
Executive Summary	5
1 Europe's multigenerational public services: ripe for talent management	7
Talent management as a tool to manage a multigenerational public service	15
Conclusions	23
2 Understanding the use of tools to manage multigenerational workforces in the EU	26
Most administrations are trying to build an attractive workplace culture	27
More talent management than age management in the public service	28
A strategic approach to talent management in an ageing public service	33
Conclusions: moving from ad-hoc tools to talent management strategies	36
3 Talent management for multigenerational public services	37
Forward-looking talent management: planning for retirement and renewal	39
Flexible talent management practices	44
Fulfilling talent management practices	48
Putting it all together: operationalising talent management in European public administrations	51
Conclusions	53
References	55
Annex A. Talent management for Slovenia's multigenerational workforce	58

## FIGURES

Figure 1.1. Old-age to working-age ratio	11
Figure 1.2. Difference between the share of workers older than 55 years old in central/federal administration and general labour market, 2020	12
Figure 1.3. Age composition of the central government workforce	12
Figure 1.4. Share of older workers in senior level public servant positions in central government workforce, 2020	13
Figure 1.5. Use of Proactive recruitment practices	20
Figure 1.6. Aspects of public service attractiveness	23
Figure 2.1. Main ambitions of public administrations regarding ageing and talent management	28
Figure 2.2. Number of age and talent management tools used by public administrations	29
Figure 2.3. Tools to manage an ageing workforce	30
Figure 2.4. Use of talent management tools	31
Figure 2.5. Strategic approach to ageing in the public service	34

Figure 2.6. Strategic approach to talent management in the public service	35
---	----

## TABLES

Table 2.1. Common talent management tools	31
---	----

# Executive Summary

European countries are ageing, and so too are their public administrations. In Europe, central public administrations employ, on average, significantly more workers over the age of 55 than the general labour market. Many public administrations now feature a greater number of older workers than younger workers. This multigenerational workforce has a number of management implications, such as the importance of ensuring that older workers are able to work productively and in a fulfilling manner until they retire, and that they are able to pass on valuable experience to younger employees. Given the complex challenges facing public administrations – such as dealing with the Covid-19 pandemic and its recovery – ensuring a skilled and engaged workforce across all age groups is a pressing policy challenge.

This report shows that public administrations have an opportunity to draw on the benefits of a multigenerational workforce and build sustainable public sector capability. In particular, proactive talent management practices can be used to engage and develop staff in the context of a multigenerational workforce. However, consistent and coherent use of talent management practices across public administrations is rare. Some administrations use a number of talent management tools, but overall there is greater scope to link such tools with workforce development strategies to get the most out of Europe's multigenerational public administration workforces.

The first chapter of this report discusses the public management implications of increasingly multigenerational workforces in Europe introduces talent management as an underexplored but useful practice. The second chapter presents the results of a survey conducted for this project which shows opportunities for EU countries to develop more strategic use of talent management tools for the management of multigenerational workforces. The final chapter discusses the concept and components of talent management, and presents a framework for its application in the public sector. These are illustrated by various case studies of practices in EU Member States.

## Key recommendations

### ***Take a strategic approach to talent management...***

Nearly half of countries surveyed have a strategy for talent management. Having a common objective or recognised set of tools and practices to manage talent can help public administrations build workforce capability and avoid fragmentation of people management and development strategies. Talent management practices send a strong signal that public administrations are able and willing to take a proactive approach to people management. Talent management strategies can give managers much-needed tools to be able to adjust how they manage their teams so as to achieve organisational objectives.

### ***... which draws on a broad range of talent management tools...***

Talent management practitioners in some public administrations are able to use a wide variety of tools, yet other administrations are much more constrained. While more tools does not always translate into more

success, the range of challenges which talent management addresses – from recruitment to learning and development and career mobility – means that a wide variety of tools is more likely to give managers the appropriate toolkit to tackle workforce management challenges.

***...which are well adapted to the EU's ageing multigenerational public service workforce,...***

Nearly half the countries surveyed indicated that talent management practices are intended to create an attractive work culture for current and potential employees. Given that public workforces have high concentrations of older workers, it makes sense to frame talent management as a set of practices that can be used to engage and motivate a multigenerational workforce, including specific consideration of older workers as they transition from working life to retirement. One-quarter of public administrations surveyed have specific strategies in place for adapting work and conditions for older workers. In those countries, knowledge transfer and succession planning, for example, tend to be carried out in a coordinated manner rather than on an ad-hoc basis.

***... support knowledge transfer across generations, and the needs of older workers,...***

Large shares of older workers places a premium on effective strategies to bring out their experience and ensure knowledge transfer. But in some countries with the largest share of older workers, public administrations have relatively few tools to manage the careers and work-related preferences of older workers. While this may be because general Human Resource policies include older workers without targeting them explicitly, there is scope for greater use of policies and practices specifically designed for older workers.

***...and are based on sound data and evidence ...***

While there is much uncertainty about the future policy environment, demographic data is robust and provides clear scope for data-informed policy decisions on how the public sector can better plan for and manage older workforces.

***...and skilled public managers and HR professionals.***

Consistent and joined-up use of talent management practices can have positive effects in support of Europe's multigenerational public administrations. Talent management can be seen as an emerging capability in the public sector. Its use in practice suggests that while it is recognised as a valuable tool, further investment in the capability of those who carry it out – like Human Resource professionals and line managers – could improve its impact.

# **1 Europe's multigenerational public services: ripe for talent management**

---

This chapter discusses the public management implications of increasingly multigenerational workforces in Europe. With the impact of megatrends such as globalisation and digitalisation, the chapter highlights the importance of the public service as an attractive employer to all age groups. In this context, the chapter introduces talent management as an underexplored but useful practice to manage ageing and multigenerational public service workforces.

---

## Key takeaways

- The policy challenges facing governments across the European Union are increasingly complex, inter-twined, and unpredictable. In this context, the public service must have the organisational flexibility and appropriate skill mix to adapt to fast-changing circumstances.
- In line with demographic change, the workforces of public services are getting older. In some European countries, one in four public servants in the central public administration is older than 55. While this presents challenges, such as ensuring succession planning for key positions, older workers are just one feature of an increasingly multigenerational workforce.
- Evidence on substantial work preferences between generations is thin. Developing an 'inclusive ageing' approach to managing ageing in the workplace can help ensure that workforce policies take into account the aspirations and expectations of *all* age groups.
- There is significant scope for developing greater understanding of Talent Management practices and their applicability in a multigenerational public service.

Europe is ageing. Although Europe's ageing population is in essence a success story – people are living healthier, for longer – it also presents European Union member states with specific economic and societal challenges. One of those challenges relates to the workplace. With digitalisation, globalisation, and shocks like the Covid-19 pandemic bringing about wide-reaching changes in how people work and plan their final years in the workplace before retirement, how should governments organise the management of multigenerational public workforces?

This question is particularly acute for governments, which are traditionally large employers across OECD countries. As explained in Box 1.1, the scope of this report is primarily the workforce in central administrations – the 'public service'. Many central administrations employ larger shares of older workers than their general labour force and are working on workforce management strategies to retain valuable knowledge built up through long careers and ensure adequate supply of future leaders when current ones retire. Older workers have much to contribute, and finding ways to optimise their participation and involvement in a multigenerational workforce is essential. However, many administrations struggle to design effective policies that respond to older workers' needs without perpetuating stereotypes about the strengths and capabilities that different generations bring to the workplace.

The challenge for the public service is thus to design flexible employment policies that can meet the evolving needs and preferences of different groups across the public sector, including older workers. Employment policies tied too closely to the age of workers – rather than to their actual work capacity or individual needs – risk over-generalisation and thereby underutilising the talent available. Several generations now work side by side in central administrations, and so promoting employment opportunities for the entire workforce requires strategic thinking. However, there exists relatively little literature specifically focussed on management strategies for older workers in the public sector. Moreover, the OECD recently reported little evidence that older workers want substantially different things from their employer than younger workers (OECD, 2020<sup>[1]</sup>).

To help guide work practices and policies in this context, many public services are exploring greater use of talent management practices:

Talent management can be understood as the proactive use of strategies to adjust workforce management to the needs of specific groups in order to fulfil organisational objectives. It relates to the



## systematic attraction, identification, development, retention and deployment of talent within a particular organisation.

This report is divided into three chapters. The present chapter examines key megatrends that have an impact on employment in the public service – in particular ageing – and introduces the concept of talent management tools in a fit-for-purpose public administration. The second chapter presents the findings of a survey conducted on the use of talent management tools in a multigenerational public service. It shows that few public administrations have developed a strategic approach to age management, but more have included such tools in broader talent management strategies. The third chapter presents a concept of talent management for a multigenerational public administration and discusses its potential use as a tool to build capability and prepare for the future of work in the public service.

### Box 1.1. Terminology and scope of report

The scope of this report is ageing and talent management practices in central/federal administrations in European countries. As public employment structures differ across countries, the report refers primarily to the ‘Public Service’ in this regard. The following definitions should be kept in mind:

- **Central administrations:** Central administration is the system of organisations which are directly subordinated to national political power and which are at the service of the central executive. This generally includes all national ministries, and may also include central government agencies under their direct control. There is a notable variety of agency types as regards functions, funding, power, accountability, resources and autonomy. Although different, a central government agency is normally distinct both from a department or ministry, and other types of public body established by government.
- **Ministries:** The term “Ministries” is used in the same way as departments and refers to the organisation headed by a minister/secretary of state who is in direct hierarchical relationship with staff below.
- **Public Servants:** All government employees who work in the public service, that may be employed by way of various contractual mechanisms (e.g. civil servant statutes, collective agreements, labour law contracts), on indeterminate or fixed-term employment contracts, but not normally including employees of the broader public sector who are usually regulated under alternative employment frameworks (e.g. most doctors, teachers, police, the military, the judiciary, or elected officials).
- **Public Service:** The workforce in those entities (for example, ministries, agencies, departments) at the service of the central/federal elected government, and to which common policies for people management may apply.

Source: 2020 OECD Survey on Public Service Leadership and Capability in Central/Federal Governments

## Ageing and the multigenerational workforce

### *Megatrends shaping the public administration of the future*

Megatrends are broad, gradual shifts in multiple domains such as politics, economics, society, technology, or the environment (Box 1.2). Globalisation, digitalisation and demographic change are all megatrends

resulting in healthier and longer-serving public servants. In all, these trends suggest that the future of work in the public service will not be the same as the past. This will require workforce management strategies to help staff adapt to changing contexts.

### Box 1.2. Megatrends, scenario planning, and four possible futures for Slovenia's public sector

Megatrends are broad, gradual shifts in multiple domains such as politics, economics, society, technology, or the environment. In addition to the megatrends that inform this report, the OECD has developed an accompanying 'scenarios report' through a series of workshops with experts and stakeholders from the Slovenian public administration and private sector innovation and talent management community. Scenarios are sets of alternative futures (usually three or four) in the form of snapshots or fictional stories giving an image of a future context. They are intentionally fictional, and should not be interpreted as predictions or recommendations. This is achieved by generating, testing, and reframing ideas about what the future might be like. The four scenarios are described in more detail in Annex A.

Globalisation of industrial production and the integration and intertwined nature of national economies and societies is a key megatrend that impacts the functioning of the public service (de Waal and Linthorst, 2020<sup>[2]</sup>). Globalisation has facilitated the dispersion of authority away from the national state (Hooghe and Marks, 2003<sup>[3]</sup>). It has caused public authority to spread upwards, towards supranational levels, as well as sideways and downwards between jurisdictions and other societal actors. Related to this, is the existence of 'wicked problems' in policy-making (Rittel and Webber, 1973<sup>[4]</sup>). These policy problems consist of a highly complex set of interdependent issues, and they are characterized by a high degree of scientific uncertainty as well as high levels of disagreement among actors. Increasingly complex societal problems such as climate change, poverty, or migration challenge governments to design robust policy responses in a globalised world.

One of the most significant megatrends impacting on the future of work in the public service relates to the speed of technological progress and efforts to establish and sustain a digital government. The digital transformation of the public service has led to the establishment of new forms of participation, an increased use of big data, advanced analytics and digital processes for public service delivery and evidence-based policy-making. New technologies strongly determine how organisations (are going to) operate. The automation of (industrial) work, 3D printing, smart factories, robotics and artificial intelligence are only a few examples of key technological advancements that have permeated work processes in the private sector (de Waal and Linthorst, 2020<sup>[2]</sup>). Public administrations too, increasingly integrate these technological advancements in policy-making and service delivery practices. They have transformed from 'analogue government' to a 'digital government' with integrated approaches and practices, such as hybrid teams, dispersed working, and project-based work facilitated through new digital tools.

Ageing in the public service

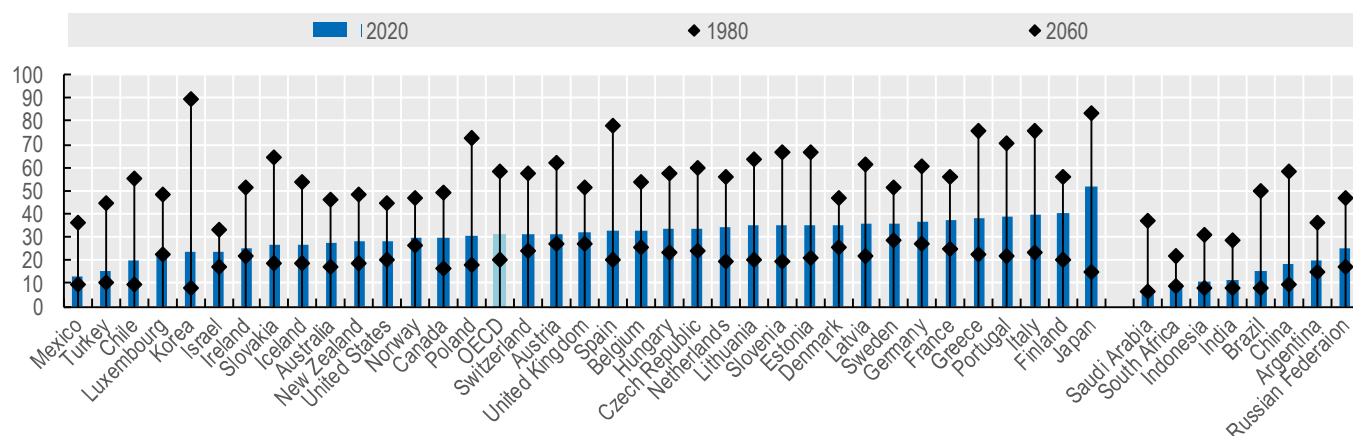
Despite older adults now being healthier and better educated than ever before, their talent often remains underutilised and overlooked. This will have to be turned around (OECD, 2020<sup>[1]</sup>).

In addition to forces such as globalisation and digitalisation, workforce planning in the public service must take account of a key demographic fact: Europeans are living longer and tend to be healthier for longer, enjoying high quality of life into old age. The average old-age to working-age ratio will almost double in the next 40 years, as shown for example in Figure 1.1. Although Europe's ageing population is in essence a

success story, populations with larger shares of older people are associated with pension and labour market challenges. And for the public sector as a whole, which tends to employ a lot of people across the OECD, ageing labour forces mean that the public service needs to plan for the future while providing a range of ways for older staff to contribute optimally.

**Figure 1.1. Old-age to working-age ratio**

Number of people older than 65 years per 100 people of working age (20-64), 1980-2060

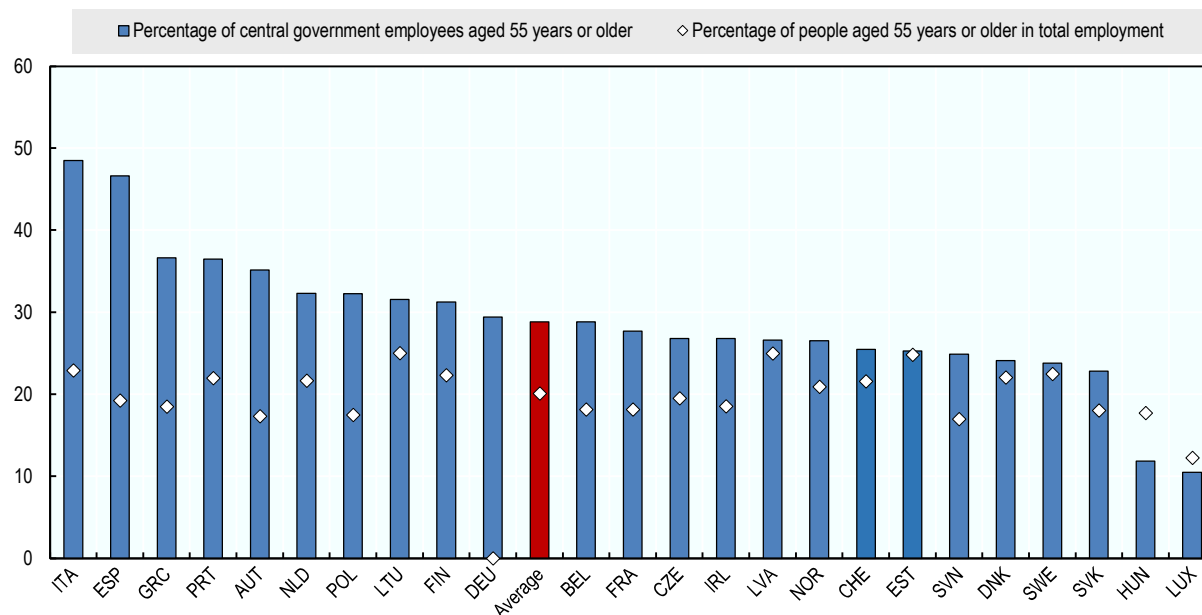


Note: Data from United Nations World Population Prospects: The 2019 Revision.

Source: OECD (2019), Pensions at a Glance 2019: OECD and G20 Indicators, OECD Publishing, Paris, <https://doi.org/10.1787/b6d3dcfc-en>.

In the European Union, one in four workers in the central public administration is over the age of 55 (Figure 1.2 and Figure 1.3). A recent OECD survey of 23 European member states enquired about the age composition of their public workforces, i.e. in central administrations. Despite relatively high concentrations of workers over the age of 55 in some administrations, the overall age distribution of public servants in central ministries in Europe is fairly even. About 17% of the total workforce are young employees below 35 years of age, and one in four are aged between 35 and 44 years. That means that almost half, i.e. 42% of the public service workforce in the EU is 45 years or younger. The group of workers in the age categories above 45 years (that is 45-54, 55-64 and 65 or over) make up nearly six out of ten public servants, i.e. 58%. Older workers are those public servants aged 55 or over. This age group is also referred to as 'baby-boomers' and consists of workers born up until 1964. Across EU countries this group accounts for, on average, 29% of the central public administration workforce, and only 20% of the total workforce.

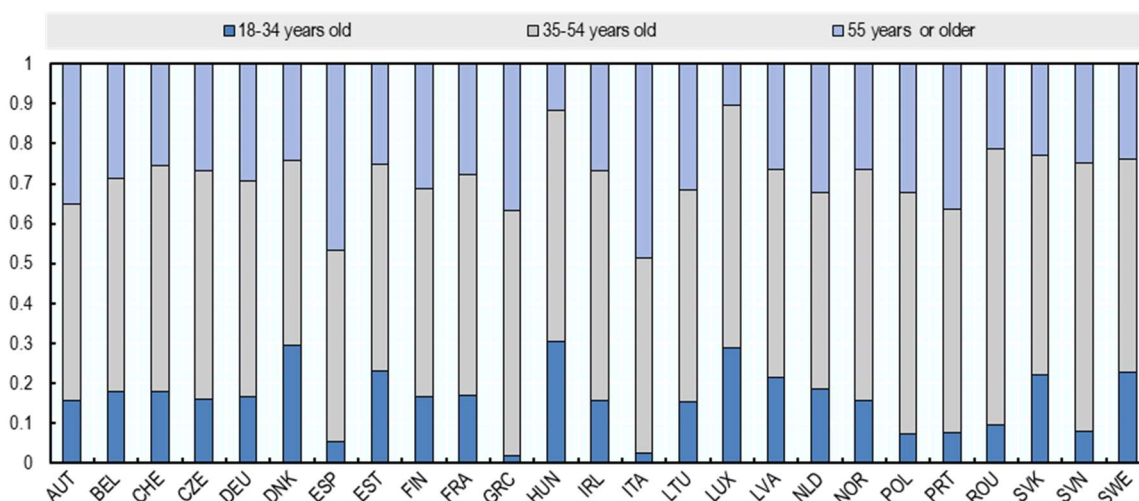
**Figure 1.2. Difference between the share of workers older than 55 years old in central/federal administration and general labour market, 2020**



Notes: For data in central government, data for France are for 31 December 2018. Data for Hungary are for 2018. Data for Luxembourg, the Netherlands and Poland are for December 2019. Data for Denmark and Finland are for February 2020. The data for Hungary and Luxembourg are for people over 56 years old. The data for Poland are for people 50 years old and over.

Source: OECD (2020) Survey on the Composition of the Workforce in Central/Federal Governments; OECD.Stat (2020), Labour Force Statistics by sex and age

**Figure 1.3. Age composition of the central government workforce**



Note: Data for France are for 31 December 2018. Data for Denmark and Finland are for February 2020. Data for Hungary are for 2018. Data for Luxembourg, the Netherlands and Poland are for December 2019. The age groups for 2020 for Hungary and Luxembourg are 18-35 years old and over 56 years old. The age groups for 2020 for Poland are under 30 and 50 years and over.

Source: OECD (2020), Survey on the Composition of the Workforce in Central/Federal Governments

The Italian and Spanish central administrations employ a very high number of workers over the ages of 55: nearly half of their central administration workforce. The survey also shows a higher than average share of older workers in Greece, Poland, the Netherlands, Austria and Portugal. Interestingly, several of these countries also employ an extremely small group of younger workers. For example, less than 2% of public servants in Greece and Italy are under 35 years old. The Slovenian central ministries also employ only 8% young public servants, although their current share of older workers is below average.

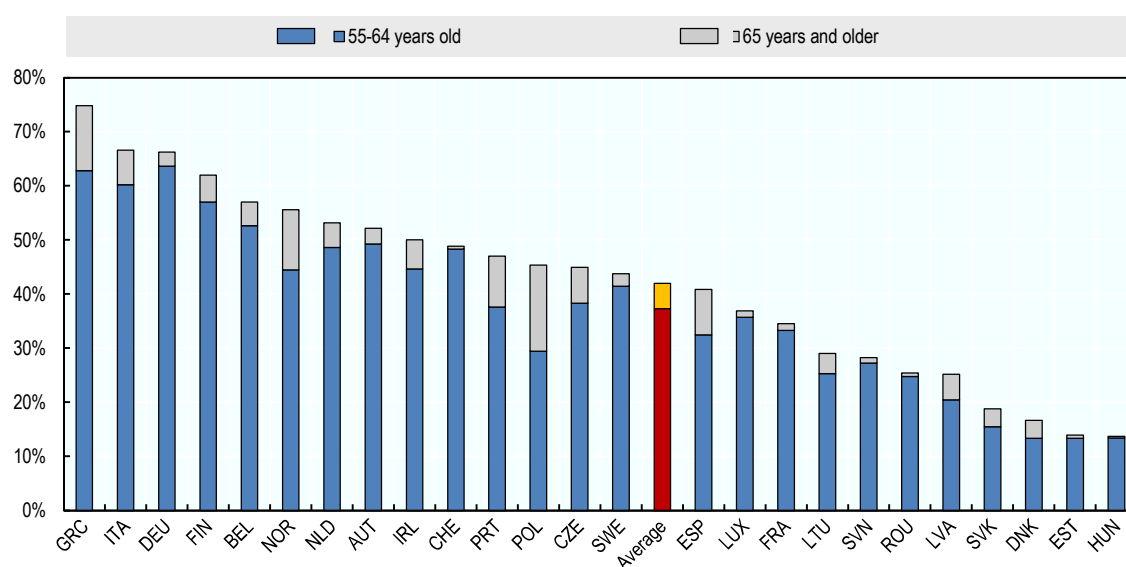
Other countries will have to deal much less with the effects of an ageing public service. To illustrate, the central ministries of Luxembourg, Hungary and Finland employ very few older workers. Moreover, both Luxembourg and Hungary employ a comparatively large number of younger public servants.

### *Senior leaders are older than others public servants*

The highest positions in public administrations will be impacted much more by the retirement of older workers than other positions. Figure 1.4 presents the age composition of top level public servants across the central administrations in the EU. These positions are marked by an entirely different age composition in comparison to the entire public workforce. In seven EU countries, the share of older top public servants in government surpasses 50%. In Germany for instance, no less than three quarters of senior managers at D1<sup>1</sup> level are aged 55 years or above (five percent of these have already reached the age of 65). In Sweden, 69% of D1 managers in the government is 55 years or older.

**Figure 1.4. Share of older workers in senior level public servant positions in central government workforce, 2020**

D1 and D2 level



<sup>1</sup> D1 Managers (part of ISCO-08 1112) are top public servants just below the minister or secretary of state/ junior minister. They can be a member of the senior civil service and/or appointed by the government or head of government. They advise government on policy matters, oversee the interpretation and implementation of government policies and, in some countries, have executive powers. D1 managers may be entitled to attend some cabinet/council of ministers meetings, but they are not part of the cabinet/council of ministers. They provide overall direction and management to the ministry/secretary of state or a particular administrative area. In countries with a system of autonomous agencies, decentralised powers, flatter organisations and empowered managers, D1 managers will correspond to Director Generals.

Note: Data for France are for 31 December 2018. Data for Denmark and Finland are for February 2020. Data for Hungary are for 2018. Data for Luxembourg, the Netherlands and Poland are for December 2019. The data for Luxembourg is for people 56 years old and older. The data for Hungary is for people aged 56-65, and 66 years old and older. The data for Poland is for people aged 50-59, and 60 years old and older. Source: OECD (2020), Survey on the Composition of the Workforce in Central/Federal Governments

The number of top public servants at D1 level that has reached the age of 65 varies across countries. In Portugal and Greece, these older workers make up 16% of top public service positions. The number of older workers at D1 level in Estonia, Denmark, Hungary, Slovakia and Lithuania is in contrast much lower. In these countries, less than 20% of top positions is taken up by older workers. Similar observations can be made for managers at D2 level. In several countries more than half of the managers in government has already reached the age of 55 years.

### *Inclusive ageing at the workplace*

The share of older workers in the labour market should be seen in the context of an increasingly diverse and multigenerational workforce. For employers in the public service, focussing on policies that respond only to the needs of older workers is well-meaning but misses the opportunity to design age-inclusive policies that can provide flexibility to employees of all ages. System-wide reforms that encourage older employees to participate in the labour market must therefore go hand in hand with effective policies to increase the performance and wellbeing of all employees – including older employees. Despite the argument that different generations – such as ‘Millennials’ – differ markedly in preferences, expectations and values, trying to distinguish employees based on their date of birth may be misguided (Jurkiewicz and Brown, 1998<sup>[5]</sup>); (Yang and Guy, 2006<sup>[6]</sup>)). This view is supported by recent OECD work, which finds that the evidence on substantial difference in work attitudes between generations is thin (OECD, 2020<sup>[1]</sup>).

The workforce age data suggests that discussing ageing public service workforces in isolation – i.e. only focusing on the very oldest age categories – misses the broader trend toward increasingly multigenerational workforces. Moreover, differences of employment needs and preferences may vary substantially even within broad age cohorts.

The above notwithstanding, OECD governments may face two challenges related to older workers. First, older workers will retire in the short to medium term and possess valuable professional experience and job-related knowledge and insights. In this case, it is of essence for employers to anticipate and deal with the challenges related to the retirement of these older workers. The second set of challenges are to ensure that older workers are able to contribute these skills as effectively as possible. To do this, they may face a number of challenges in the workplace:

- Older workers may be subjected to **discrimination and stereotyping** at the workplace. The discrimination of older workers has been extensively documented over time. The WHO states that the discrimination of older workers because of their age persists even though they are not less healthy, skillful or productive than younger age groups in the workforce. Employers are known to assign unfavourable characteristics to older workers, such as limited health, reduced motivation, cognitive capacities, and lower flexibility (Birkelund, 2016<sup>[7]</sup>). Age discrimination implies, for instance, that older workers are not being hired because the employer is looking for younger workers, or that older workers receive a negative job evaluation, are fired, denied a promotion or overlooked for special assignment because they are perceived to be less flexible, motivated, and have higher pay grades than younger workers (Ng and Feldman, 2012<sup>[8]</sup>); (Stevenson, Burns and Conlon, 2018<sup>[9]</sup>)).
- The **deterioration of health** in later adulthood is presumed to impact on the employment of older workers. The participation of older workers drops substantially after they have reached 55 years. Employers can develop strategies to deal with this and limit dropout rates among older workers. This includes policies to ensure an optimal physical environment for older employees, or working

conditions with lower physical demands and higher levels of autonomy to increase the likelihood that employees will continue to work at age 55 and over (Centre for European Policy Studies, 2018<sup>[10]</sup>).

- There may also be a **digital divide** between older and younger workers in terms of their access to and use of ICT. Even though older groups in the population are closing the digital gap, they remain somewhat slower to adopt digital technologies. Only a small share of the older population, for instance, has above average digital skills in comparison to the average skill-level among the entire adult population (16-74 years).

This has a number of implications for human resource management practices:

- Workforce management practices should focus on identifying skills gaps and supporting up-skilling, re-skilling, and knowledge sharing.
- In most public workforces, people in Leadership positions are more likely to be older rather than younger. This places a premium on effective succession planning and talent management strategies to develop the next generation of public service leaders.
- Improving public service attractiveness is a key driver of building more age-inclusive workforces. Through proactive recruitment strategies, the public service can attract a greater variety of talent, ultimately leading to a more skills-rich and diverse workforce. This implies eliminating age-bias recruitment practices and encouraging age-diverse cultures where all workers feel comfortable and appreciated regardless of age (OECD, 2020<sup>[11]</sup>).

## Talent management as a tool to manage a multigenerational public service

*As people live healthier for longer, dedicating a few extra years to work makes sense, but it will require more than the stroke of a (lawmaker's) pen. Barriers to the hiring and retention of older workers should be tackled. Mandatory retirement ages and pension rules that discourage people from working longer should be eliminated. Today, governments and companies also invest little in retraining older people, but as people work for longer this investment becomes all the more necessary and profitable (Rouzet et al., 2019<sup>[11]</sup>).*

Thus far, this chapter has illustrated that the public service has become a dynamic work environment where trends such as digitalisation, globalisation and ageing populations have important workforce implications. These trends present central administrations with both challenges and opportunities. Since more older workers are staying on the job, the public service will have to develop novel, creative and effective ways to deal with age and skills gaps among the workforce. The public service will also have to ensure an effective transfer of knowledge from workers who are leaving the workforce due to retirement to younger and less experienced workers.

In this context, greater use of talent management tools and practices can be a highly effective component of age-inclusive workforce development strategies. Many public services across the EU already use elements of talent management in workforce development, such as providing targeted training to certain groups. As this report illustrates, however, many administrations across the EU have scope to develop a more strategic and joined-up approach to talent management.

### **What is talent management?**

There is no single definition of talent management, and academics and practitioners have all debated its main principles and characteristics since the origins in the 2000s. As highlighted earlier, talent management (TM) can be understood as the proactive use of strategies to adjust workforce management



to the needs of specific groups in order to fulfil organisational objectives. It relates to the systematic attraction, identification, development, retention and deployment of talents within a particular organisation:

- **Talent identification:** TM practices incorporate a strong focus on understanding what types of skills the organisation needs now and in the future. This implies understanding the variety of ways to identify talent, and attract and build these skills in the public service.
- **Talent attraction:** TM can include strategies to increase the attractiveness of the public administration as an employer. This could include developing an employee value proposition and improving employer branding.
- **Talent development:** Skills development and continual learning is one of the most important and visible components of TM. High performers and/or those with specific and in-demand skill sets may benefit from structured support to accelerate their career, e.g. through targeted training, mentoring and mobility assignments, to enable them take on additional responsibilities.
- **Talent retention:** Organisations invest a lot in attracting and recruiting talents, and so retention is key not only to justify the investment but to build and sustain workforce capability. TM strategies related to retention may include employee engagement strategies and broadening of career paths to include horizontal as well as vertical mobility.
- **Talent deployment:** TM is not just about attracting people with the right skills to the organisation, it is also about making sure that talents have the right opportunities to use their skills and develop new ones.



### Box 1.3. Talent management in the OECD Recommendation for Public Service Leadership and Capability

The OECD Recommendation on Public Service Leadership and Capability presents 14 principles that OECD countries have agreed are essential to guide reforms in a fit-for-purpose public service. The second pillar of the Recommendation calls for countries to develop skilled and effective public servants taking a talent management approach: by identifying the right skills and competencies, recruiting them to public service jobs, developing them through learning cultures, and rewarding them through effective performance management.

#### OECD Recommendation on Public Service Leadership and Capability



Source: OECD, Recommendation of the Council on Public Service Leadership and Capability, [OECD/LEGAL/0445](https://www.oecd.org/LEGAL/0445)

Talent management in the public service is essentially focused on putting the right people in the right place at the right time. Talent management thereby aims to encourage public employees to contribute to the best of their abilities to the goals of their organisation (Thunnissen, Boselie and Fruytier, 2013<sup>[12]</sup>). As a strategic tool for the public service, talent management has the potential to enhance the productivity of all workers and improve the efficiency of public servants. In addition, talent management can increase the job satisfaction and wellbeing of public servants (Thunnissen and Buttiens, 2017<sup>[13]</sup>).

Talent management builds on performance management. But while performance management is about recognising and rewarding (or sanctioning) recent past performance, Talent management is about recognising and building future potential. Well aligned performance management should inform talent management, but past performance is not always an accurate indicator of future potential.

Talent management also integrates a number of traditional HR processes such as recruitment, selection and development - and it incorporates aspects and principles of Strategic Human Resource Management in the sense that it seeks to connect the human resources of an organisation with its strategic objectives and goals (Thunnissen and Buttiens, 2017<sup>[13]</sup>).

However, talent management can be differentiated from these approaches based on its distinct focus on the potential to deploy present and future talent and skills within public organisations. Additionally, talent management should not only be viewed as an HR management concept. Talent management goals are often achieved via daily work processes. As a consequence, talent management is not only a matter of concern to HR-units, departments and managers in government. It is a critical part of every team leader's job (Buttiens and Hondeghem, 2012<sup>[14]</sup>).

But what is “talent”? Box 1.4 outlines various ways of framing talent, each of which has implications for how talent management practices are set up and applied in the public service. The various elements of the box underline that talent definitions are highly contextual and even subjective (van Arensbergen and Thunnissen, 2015<sup>[15]</sup>). The context for talent definitions is set by the same actors that are responsible for developing talent management practices. Stakeholders and other organisations can have different interpretations of talent. Furthermore, talents are evaluated by people. Talents are therefore inevitably subjective since the indicators used for evaluation can vary between actors as well as in time and place.

#### Box 1.4. Framing talent: four approaches to Talent Management

##### 1. Talent as all employees vs. an elite group of workers

Talent pertain to people in particular positions. In a lot of cases, practitioners and academics actively reflect upon this dimension of talent. Two opposing views to what talent entails exactly are discerned: an exclusive view and an inclusive view.

- The **inclusive approach** to talent management applies a broad perspective on talent in the organisation and is based on the assumption that talent management practices are concerned with recognizing the talents of each worker, and subsequently aligning them to the goals of the organisation.
- The **exclusive view** on talent management is based on the identification of a select group of talented or top performing workers. Specifically, this view targets two particular groups of workers. They either contribute most to organisational performance or are assumed to be able to do so in the near future. The former group of employees are labelled as ‘high performers’, while the latter group of workers are labelled as ‘high potentials’.

##### 2. Talent as innate ability vs. mastered competence

- On the one hand, abilities and capacities can be viewed as **innate talents**. In this case, talents are part of public sector employees’ natural abilities. This view generally centres on the idea of excellence and elite performance and contends that there is more to top performance than just training. If talents are innate, talent management will be aimed at identifying talent and enabling employees to use it, or at attracting outside talent. This perspective also implies that organisations look and compete for the same (limited) number of talented employees.
- On the other hand, talent can be defined as the systematic mastery of knowledge and of carefully developed skills. In this case, **talent can grow** and the abilities and capacities of workers can be fostered through talent management practices, e.g. through on-the-job-experience, or through formal training and practice.

##### 3. Talent as input for performance vs. output

A third approach to talent differentiates between talent as input for professional behaviour and talent as output, i.e. professional performance.

- The input-based view defines **talent as employees' interests, attitudes and ambitions**. This view on talent emphasizes the importance of workers' commitment and professional values. Central to the input-based view is the notion of 'cultural fit'. It refers to the alignment between the professional job orientations of individual workers and their current or future job position. The input-based view on talent is both future-oriented and results-oriented. Talent management practices assess what workers can potentially bring to their job or prospective job position. Additionally, talent management aims to strengthen the professional commitment of employees so as to increase individual and organisational performance.
- The output-based view on talent defines **talent as the achievements of employees**. This view generally looks to the past performance of workers to assess whether they should be considered as talented. The output-based view implies that formal tools for measuring those outputs are in place. It equally implies that organisational goals and objectives have been clearly defined. Organisations can rely on output indicators to identify and develop talent within the organisation, or to recruit external talent and bind them to the organisation following track-records of past performance.

#### 4. Talent as personal quality vs contextually defined

Some view talent as stable internal qualities that will come to expression in all circumstances and positions. Others assert that talent is highly context-dependent.

- The first point of view is that talents are **stable qualities that can be counted on in all circumstances** and positions. Quite often, this quality is assigned to current or future top performers. Top performing employees are assumed to be able to be a talent in any other organisation as well. Career paths are subsequently hierarchical in nature. The point of view of stable talents implies a strong emphasis on competition between public sector organisations and private sector organisations, as well as between organisations inside the public sector. Talent management practices will centre on a strong and attractive organisational brand to attract talented workers and to retain talents.
- The second point of view that **talents are unstable and circumstantial** means that performance can change when employees change positions or roles. In this case, it is possible that workers who are considered untalented in one position may become talented employees in another position. Career paths are also horizontally structured rather than purely hierarchical. This view on talent underscores the personal fit between organisations and their employees. It places less emphasis on the recruitment of talent external to the organisation.

Source: Based on (Gallardo-Gallardo, Dries and González-Cruz, 2013<sup>[16]</sup>); (Bolander, Werr and Asplund, 2017<sup>[17]</sup>)

### ***Public service attractiveness as a fundamental driver of talent management***

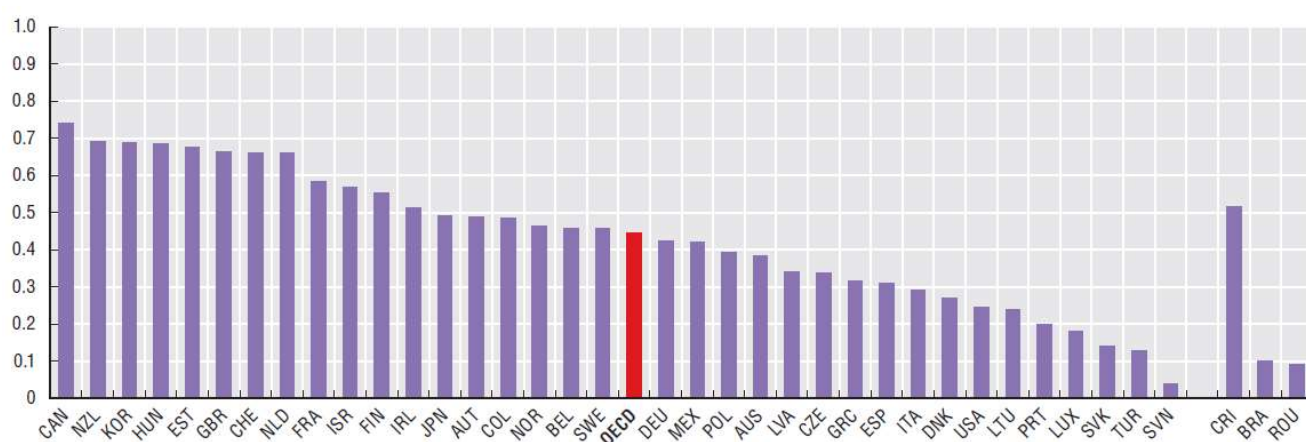
The public service is in competition for talent with other employers; it is under pressure to be attractive to retain current talent and attract future talent. To this end, the public service needs to project itself as an 'employer of choice'. It also needs to gain a better understanding of the motivations and goals of recruits in order to select in those with the highest public service motivation, and related potential for personal and organisational performance ( (Ritz and Waldner, 2011<sup>[18]</sup>); (Christensen, Paarlberg and Perry, 2017<sup>[19]</sup>) (Weske et al., 2020<sup>[20]</sup>)). However, evidence suggests that many countries across the OECD experience difficulties filling public sector vacancies – particularly in hard-to-recruit fields such as the digital sector where there a broad range of alternative employers.

Proactive talent identification and recruitment forms part of many organisations' talent management strategy. Building on the definition of talent management introduced above, talent management can be as much about finding individuals with the rights skills and recruiting them to fill gaps as it is about developing

and retaining existing staff. This illustrates the role of public service attractiveness in talent management: a poor employer reputation is likely to damage the ability of organisations to attract and keep the people they need. In turn, a reputation for good talent management can increase the reputation of employers and therefore their attractiveness to future recruits and existing staff alike.

The ability of central public administrations to fill skills gaps is related in part to how proactively they recruit. Figure 1.5 is a measure of how proactive countries are in recruiting talent. The data do not measure relative attractiveness from one administration to another. Rather, countries that score well on this indicator – like Hungary, Canada and New Zealand – use a broad variety of methods to attract candidates. They may also have greater flexibility to adapt communication processes and recruitment systems than other countries that may be constrained by particularly rigid processes and legal frameworks. Box 1.5 provides examples of practices relating to proactive recruitment in the public sector.

**Figure 1.5. Use of Proactive recruitment practices**



Note: This composite indicator is made up of weighted responses to questions regarding the following aspects of employer attractiveness: (1) elements highlighted in recruitment material; (2) the policies to attract more and better candidates with in-demand skills; (3) the use of methods to determine what attracts skilled employees; (4) adequate pay systems to attract good candidates; (5) the actions in place to improve the representation of under-represented groups. The variables composing the index and their relative importance are based on expert judgements. They are presented with the purpose of furthering discussion, and consequently may evolve over time. Missing data for countries were estimated by mean replacement.

Source: OECD (2020), Public Service Leadership and Capability Survey

### Box 1.5. Proactive recruitment practices

Many countries across the OECD are experimenting with ways to increase the attractiveness of the public service, and recruit more and better candidates. The common thread in these initiatives is a focus on gathering better data on what type of skills and competences public administrations want to attract, and aligning advertising, assessment and recruitment procedures accordingly:

- The **Australian Public Service** (APS) has developed a portal for HR practitioners with tools and advice on how to recruit Aboriginal and Torres Strait Islander peoples, including through specific career pathways.
- **Canada's** 'Talent Cloud' programme is an innovative way to attract talented candidates to government jobs. Cloud is an experimental initiative that relies on financial support from participating federal departments who are committed to helping build an alternative to the traditional HR model.
- **France's** military has invested in data skills in order to analyse traffic to its website. This analysis feeds into algorithms which further personalises the offer to candidates in order to increase the 'conversion' of website views into job applications.
- **Ireland** launched the Irish Government Economic and Evaluation Service (IGEES) in 2012. This is a structured programme aiming to improve the attraction of highly skilled candidates and improve the diversity of skills and competences across government. IGEES has also been successful in attracting international European talent, which makes it more diverse generally than other parts of the civil service in Ireland.
- Use of employee surveys can be a valuable tool to gather data on what staff enjoy about their job, such as in **Norway** where an employer perception survey is carried out every three years with around 7,000 participants. These data can then inform attraction and recruitment campaigns.
- **Poland** has issued a toolkit for managers to enable them to identify and assess 'soft skills' during recruitment processes
- **Spain** has begun to review the content of their entrance examinations for elite public sector corps to make them more relevant for the future
- The **UK** civil service has launched the 'No. 10 Innovation Fellowship' programme specifically aimed at bringing digital and technology talent into government. This programme aims to reach people that do not usually apply for government jobs and who tend to work mainly in the private sector. The recruitment conditions, tasks and branding of the programme set it apart from regular recruitment to government.

Non-governmental organisations can also play a role in developing proactive recruitment practices, improving employer branding, and attracting talent to government:

- **Profil Public**, a French organisation, supports a variety of government organisations in improving their employer branding and recruitment.
- The **Volcker Alliance**, a US not-for-profit organisation, has a number of programmes that aim to support government in building links with universities in order to source talent.

Source: **Australia:** Government of Australia (2021), Indigenous Capability Agency Portal website, <https://www.apsc.gov.au/working-aps/diversity-and-inclusion/indigenous-capability-agency-portal> (Accessed 10 February 2021); **Canada:** Government of Canada (2021), Talent Cloud website, <https://talent.canada.ca/en> (Accessed 20 September 2021)

2021); **France**: *L'armée de terre conjugue numérique et contact humain*, Les Echos (newspaper), <https://www.lesechos.fr/idees-debats/leadership-management/larmee-de-terre-conjuge-numerique-et-contact-humain-1245196> (Accessed 20 February 2021); **Ireland**: OECD (2020), The Irish Government Economic and Evaluation Service: Using Evidence-Informed Policy Making to Improve Performance, OECD Public Governance Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/cdda3cb0-en>; **Norway**: material provided to the OECD Secretariat; **Poland**: Government of Poland (2021), Civil Service Portal, <https://www.gov.pl/web/sluzbacywilna/narzedzia-do-badania-kompetencji-miekkich-w-tym-kierowniczych> (Accessed 18 January 2021); **Spain**: Government of Spain (2020), Public Service website (Accessed 25 January 2020) [https://www.mptfp.gob.es/portal/fucionpublica/secretaria-general-de-fucion-publica/Actualidad/2020/12/2020-12-03\\_01.html](https://www.mptfp.gob.es/portal/fucionpublica/secretaria-general-de-fucion-publica/Actualidad/2020/12/2020-12-03_01.html)

While the indicator cannot assess the effectiveness of these tools, the key message to retain is that attracting candidates is a complex task that involves a variety of tools and methods that can be reasonably adapted to meet the needs of specific groups that the public service is trying to recruit. In other words, placing jargon-heavy and bureaucratic job descriptions on government websites and waiting to see who applies is no longer enough to fill skills gaps (see, e.g. (Rouzet et al., 2019<sup>[21]</sup>)).

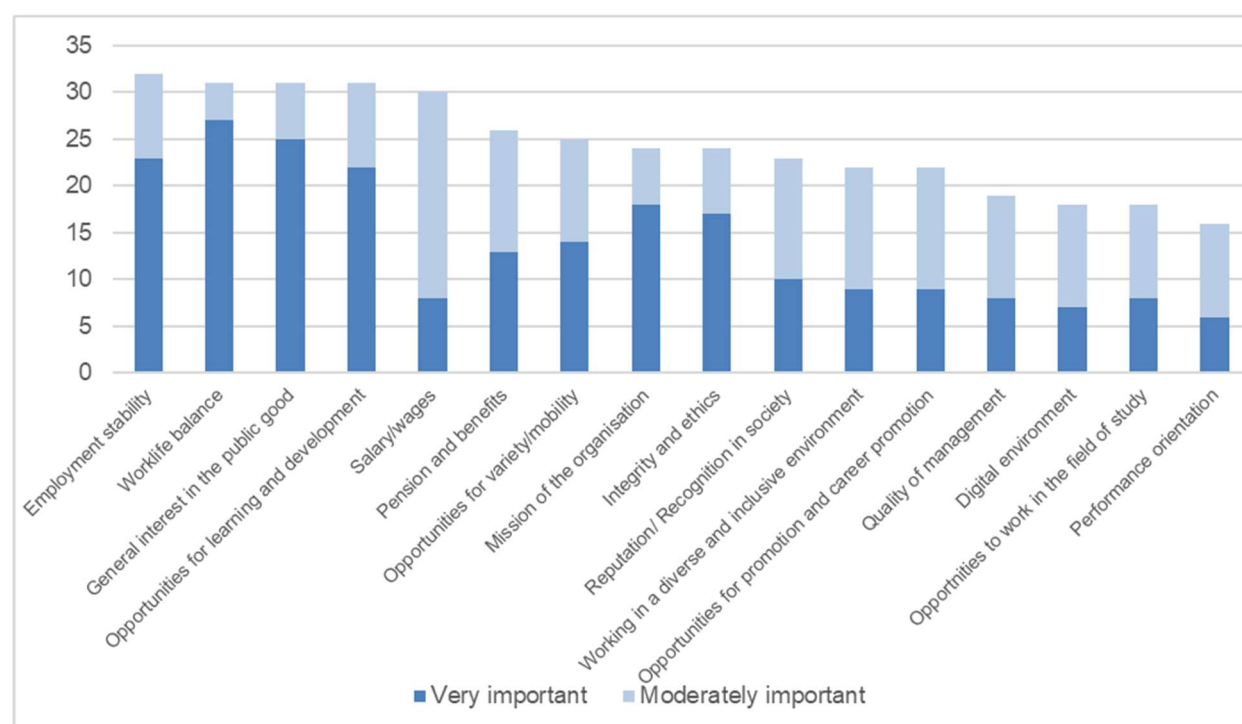
In the context of trying to attract and retain workers – especially those with key skills and experience – public service attractiveness plays a key role in workforce development. Because different people may be attracted to different organisations at different times in their career, ensuring a good fit between the staff member and their organisation is crucial. ‘Person-Organisation fit’ is known to increase employer attractiveness, and to lead to higher job acceptance rates, as well as better on-the-job performance and satisfaction levels.

The related concept of public service motivation (PSM) is particularly important to understand the attractiveness of the public sector as an employer, as well as to gain insights into the determinants of Person-Organisation fit for an increasingly multigenerational workforce. The PSM of individuals also increases as people age, which implies that the public sector is on average less attractive to younger workers than to older workers. This in turn suggests increasing challenges in attracting and retaining younger workers to replace a large group of older workers. Building on the arguments of (OECD, 2020<sup>[1]</sup>), it also helps frame younger workers and older workers not as separate commodities, but as two sides of the same coin.

As such, the starting point for a successful workforce management strategy for multigenerational workforces is to understand what candidates are likely to find attractive about working for a particular organisation. However, a common complaint across the OECD is that the public sector is less and less attractive as an employer, meaning that candidates with the skills it needs are not applying. While salary is frequently cited as a barrier, data in Figure 1.6 shows that work-life balance, general interest in the public good and the stability of employment are the three most important factors behind public sector employer attractiveness. 21 countries also indicated that learning and development opportunities were ‘very important’.



Figure 1.6. Aspects of public service attractiveness



Note: Original survey question: *Based on the methods [to determine the main aspects that make the public service an attractive employer], what are the main aspects that make the public service an attractive employer?*

N=35

Source: OECD (2020), Public Service Leadership and Capability Survey

In the context of ageing public service workforces in particular, these data are encouraging because they suggest that older workers are likely to appreciate the stability of their employment and also the work-life balance that a public sector job affords them. As workforces age, policies related to adjusting work-life balance could be considered, such as the possibility of a structured path to work progressively fewer hours if necessary, while still maintaining a close link with colleagues and organisations. A recurring issue in focus groups conducted in the course of this project was ‘zero-sum’ approach to retirement, i.e. the sudden switch from a life of working to not working with little transition from one to the other. Building on the aspects of public service attractiveness, governments could develop policies to adjust work-life balance gradually while providing opportunities to learn and remain engaged. The tools and approaches in use across the EU are discussed in the following section, which presents the results of a survey carried out by the OECD in 2020 on ageing and talent management in the public sector.

## Conclusions

### *Preparing for the Future of Work in the Public Service*

Megatrends are affecting the public service in a number of ways. First, they are altering the nature of work of the public service, and creating pressure on effective policy-making and public service delivery. Second, megatrends are changing the internal structures and processes of public administrations including the physical workspace. Third, megatrends have implications for the skills of the public workforce. After all, if

the public expectations about government services change, it can only be assumed that modern public servants require different types of competencies and capabilities to deliver such services.

The OECD has captured these changes in a model that shows how the future of work requires public services to be more forward-looking, flexible and fulfilling to a diverse range of public servants than in the past (Box 1.6). Common themes that run across all three include diversity, inclusion and the need for new kinds of management systems that bring out the best in employees. This suggests the need for management systems that are future-oriented, focused not only performance today, but also on potential performance tomorrow. Talent management is suite of tools that embed this focus into the core of management, leadership and HRM.

### Box 1.6. A future-ready public workforce

The OECD has developed this model to articulate the main trends perceived as governments prepare their public service workforce for the future of work.



Source: OECD

A **forward-looking** public service understands how megatrends and other forces, including demographic change, are reshaping the work of public servants, and knows how to transform its workforce to get the work done. It is a public service that can anticipate the impacts of retirements and the skills it will need and has the tools to plan ahead so that skilled workers are ready to be deployed at the moment they are needed. The COVID-19 crisis reminds us that the future is highly uncertain. This places a special emphasis on how to plan for uncertainty and support public service resilience, with a special emphasis on health and wellbeing. In addition to emerging technical and digital skills, cognitive, social and emotional skills such as the ability to learn, adapt and manage through ambiguous situations will likely increase in importance across all public service professions.

A **flexible** public workforce recognises the individuality of public servants – that each comes with their own sets of skills, knowledge, personal lives, and needs, depending on an complex intersection of characteristics such as age, gender and personal situation. This flexibility means that the public service is able to provide work arrangements that reflect these – including time and place of work, and terms and conditions of employment. A flexible public service recognises that ‘one size fits all’ solutions and policies are of the past. A flexible public service can also move people with the skills it needs to the places it needs them in reaction to fast changing circumstances, and is able to upskill and reskill the existing workforce to



make use of new technologies and respond to new challenges by promoting a learning culture. A flexible public service can also access skills from the labour market quickly and effectively.

Finally, the public service of the future will attract, retain and make best use of the skills it needs by providing **fulfilling** work experience. Its workforce will benefit from increased diversity – including age diversity, but also in terms of skill sets, professional backgrounds, experience, and ways of thinking and solving complex problems. Therefore, the public service needs to provide fulfilling work in many different ways, to different kinds of people. A fulfilling public service understands employee experience and uses this understanding to improve management and leadership to increase autonomy and sense of achievement; and to design employment policies that enable individualised support.

This chapter has suggested that talent management can be used by public services across the EU to better manage the challenges of a multigenerational public workforce. The next two chapters examine these two issues in more detail. Chapter two examines the results of a survey conducted for this study, and shows that few administrations directly target the impacts of an ageing workforce, but more often include these in broader strategies aimed at talent management for the full workforce.

Chapter three argues that talent management is an underused but potentially valuable tool that the public service can draw on to better seize the opportunities of a multigenerational workforce. It suggests that designing Talent management strategies that are forward-looking, flexible and fulfilling can help to prepare multigenerational workforce for the future of work in the public service.

## **2 Understanding the use of tools to manage multigenerational workforces in the EU**

---

This chapter presents the results of a survey on the use of various tools to manage older workers and to conduct talent management. It shows that EU countries use various tools focused on older workers, but joining these up in a specific strategy is rare. Rather, strategies for talent management are more common, and it is likely that EU countries include the use of tools for older workers in these strategies focused on multigenerational workforces.

---

## Key takeaways

- Many public administrations are trying to build and promote attractive workplace cultures. This targets not only current staff but also potential future hires. Talent Management is a promising approach to help create an attractive workplace culture and reach out to candidates with sought-after skills.
- Central Human Resource departments play an important role in the development of a comprehensive talent management strategy. Central departments are well placed to provide a high-level vision for talent management and support to line Ministries, while implementation of talent management practices mostly tends to be left to Ministry-level.
- Public administrations do not tend develop specific strategies to manage older workers. The most common policies directed specifically at older workers are those to facilitate a gradual transition toward retirement.
- On the other hand, European public administrations tend to use a wider variety of tools to manage talent, suggesting a need to ensure these tools are inclusive of all ages in the workforce.

Ageing and talent management is a key theme of the Slovenian Presidency of the Council of the European Union in 2021. In the context of this Presidency, the OECD and the Slovenian Ministry of Public Administration worked together to better understand how public administrations in the EU address the challenges of talent management and an ageing workforce. A core component of this work was a survey<sup>2</sup> designed by the OECD and the Slovenian Ministry of Public Administration.

The survey results indicate a wide variety of approaches to carrying out talent management in the public service across the EU. Deliberate, formal talent management programs exist in some administrations; others report a more ad-hoc or informal use of talent management practices. Some public services have already developed and evaluated the talent management practices they have put in place, whereas others may have only expressed their intentions to do so. When it comes to an ageing workforce, far fewer administrations report developing and deploying specific strategies.

### Most administrations are trying to build an attractive workplace culture

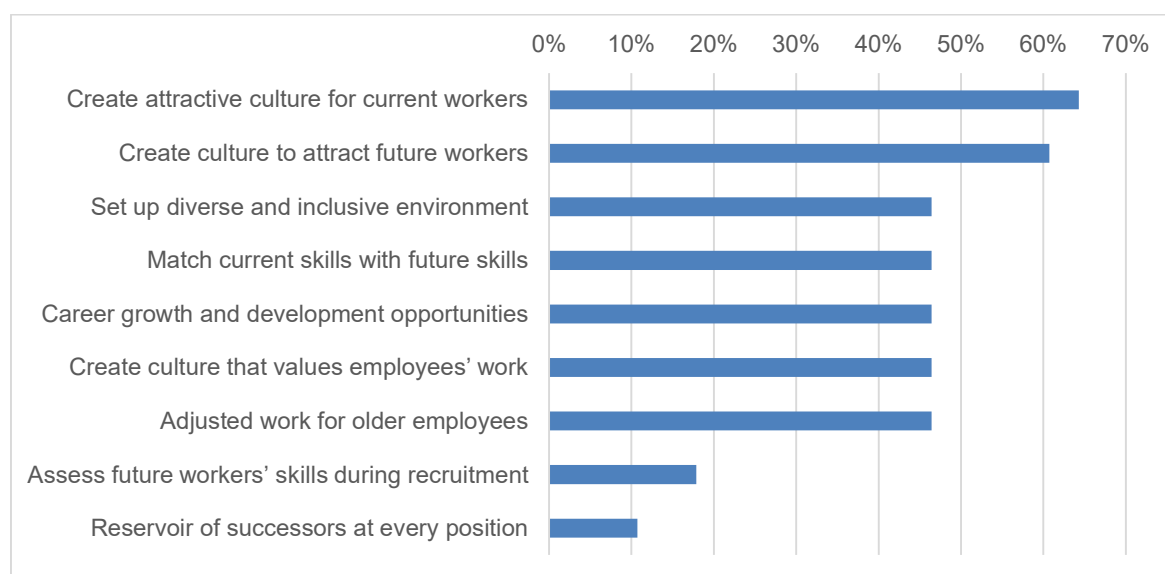
In the context of challenges relating to ageing and the use of talent management, Figure 2.1 shows that almost two-thirds of central public administrations across the EU aim to create an attractive culture for current staff. Almost as many (61%) aim to create an attractive environment for prospective candidates. At the other end of the scale, relatively few administrations seem to use ageing and talent management tools to build a reservoir of successors for different positions. Given the challenges faced by several countries

<sup>2</sup> The survey was sent to all EUPAN members and to the European Commission. Responses were received from all EU member states except Bulgaria, Estonia, and Lithuania. The survey also included the European Commission, Norway, Switzerland and Turkey. The survey was designed to capture which tools in the field of managing older employees and talents are used by Member States at central level, at the level of individual ministries / agencies, whether they have developed a vision and strategy in this area and how they implement and evaluate them. The survey also asked respondents to indicate the goals the countries wish to achieve with the tools for dealing with older employees and talents, and what are their priorities and approaches to workforce planning. The questions referred to practices in the central state administration, i.e. ministries and government departments.

with particularly high levels of older workers – see Figure 2.1 – this suggests that there is substantial scope for greater use of succession planning.

**Figure 2.1. Main ambitions of public administrations regarding ageing and talent management**

% of responding public administrations (n=28)



Note: n=28, original survey question: *What does your administration aim to achieve by adopting the ageing and talent management tools listed above?*

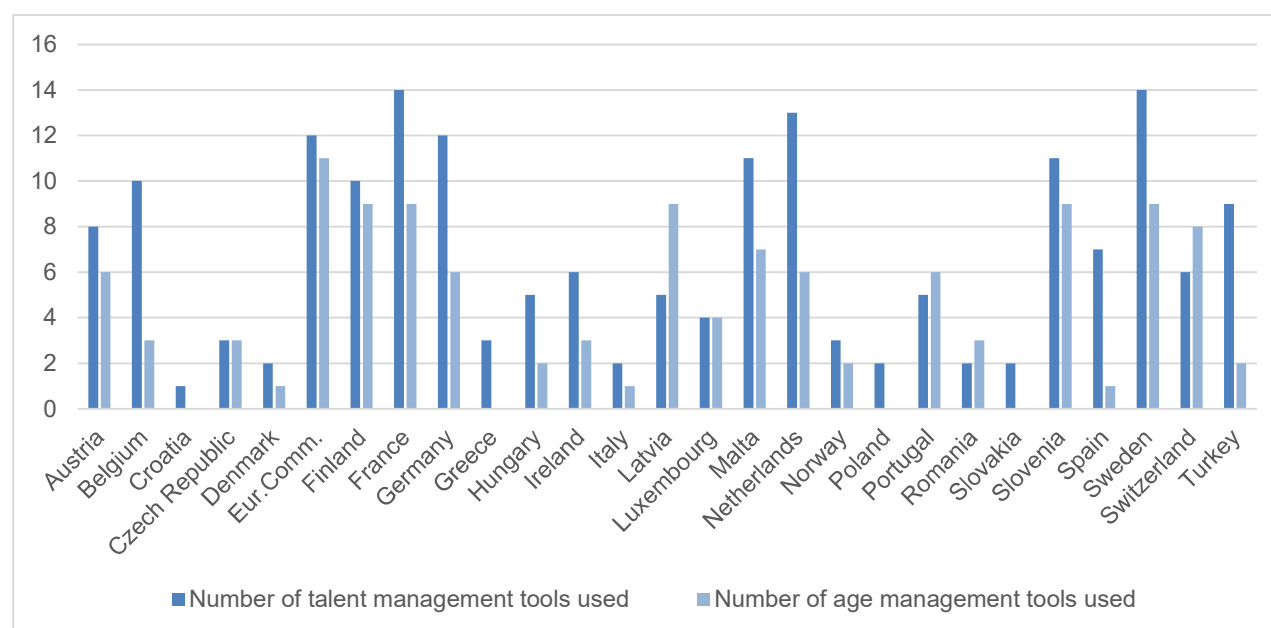
Source: OECD (2020), Survey on Ageing and talent management practices in European public administrations

## More talent management than age management in the public service

Figure 2.2 illustrates that most European central public administrations have and use at least some tools to manage talent in the public sector, while using fewer tools to manage age. In terms of age management, the administrations of the European Commission, Switzerland, Finland, France, Latvia, Slovenia, and Sweden all make use of at least three quarters of the tools outlined in Figure 2.3. The European Commission reports using all of the tools mentioned for managing older workers. Not all public administrations with a significant share of older workers resort to the variety of age management tools, however. In Spain and Italy, for instance, older workers make up almost 50% of the public service, yet the data in our survey does not provide any indication that the Italian and Spanish public service rely on specific tools to manage this large group of older workers.

Nine public services make use of at least 10 out of 14 talent management tools listed in the survey. The countries that make the most use of talent management tools in the central public administration are France, Sweden, the Netherlands, the European Commission, Germany, Slovenia and Malta. At the same time, Austria, Belgium, Finland and Turkey use more than half of the talent management tools discussed above.

**Figure 2.2. Number of age and talent management tools used by public administrations**



Note: Out of a total of 11 tools for Ageing and 15 for talent management.

Source: OECD (2020), Survey on Ageing and talent management practices in European public administrations

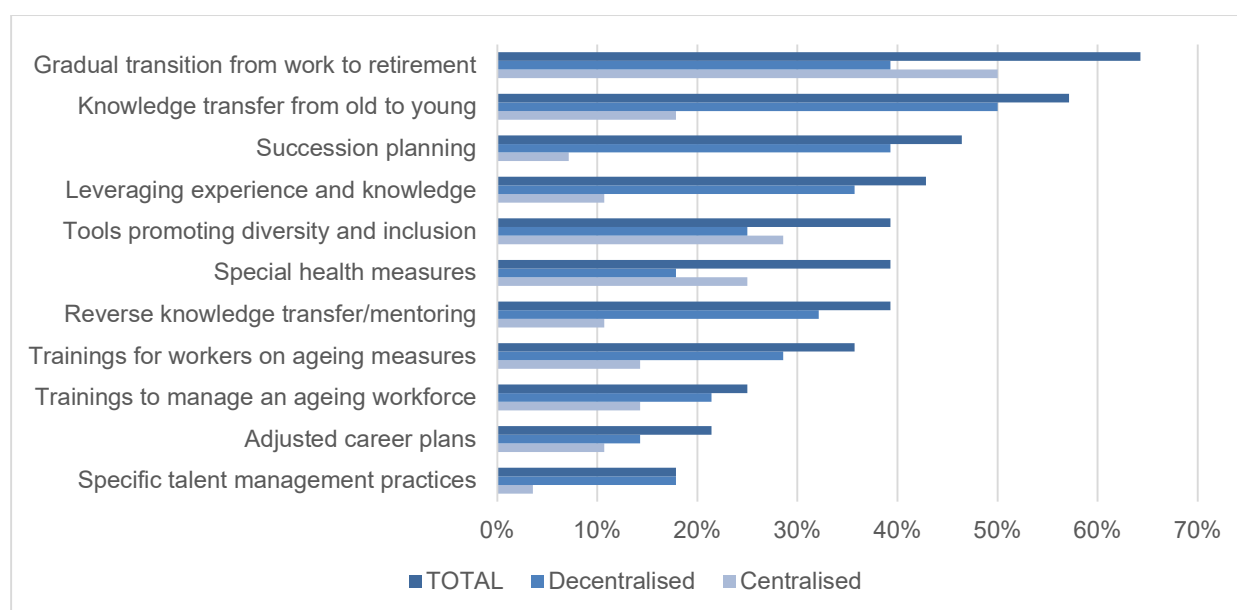
It is particularly striking that some countries with particularly high shares of older workers, such as Greece and Italy, tend to report relatively smaller use of both sets of management tools than other countries. Some public services tend to rely on a wide variety of tools to manage an ageing workforce, whereas age management in other administrations seems based on only a few key practices. Denmark, Hungary, Italy, Norway, Spain and Turkey, for instance, hardly seem to deploy any of the tools included in the survey. However, it should be noted that the figure only reports what is known about tool use. Several respondents indicated that tools may be used on an ad-hoc basis in individual ministries with their awareness. The results should therefore be viewed as indicative and not absolute.

#### *Tools for managing talent in an ageing workforce*

Figure 2.3 and Figure 2.4 depict the total level of use of eleven tools to manage an ageing workforce and fifteen tools for talent management respectively. The figures also makes a distinction between the centralised and decentralised deployment of the tools (i.e. they are deployed by a central organisation across the public administration, or by each ministry/agency individually). It should be noted that the respondents could indicate multiple answers to this question, implying that they combine both approaches for the same tool. The 'total' figure refers to the total number of participants who indicated that they used the tool at either centralised or decentralised level.

**Figure 2.3. Tools to manage an ageing workforce**

% of responding public administrations



Note: N=28

Source: OECD (2020), Survey on Ageing and talent management practices in European public administrations

Regarding tools to manage an ageing workforce, the survey results show that practices that enable a gradual transition from work to retirement (such as reduced working hours, attention to work-life balance, adjusted forms of employment) are most widely deployed among the participating public administrations in the survey. Close to two thirds of the public administrations surveyed use some form of these (64%), and it seems that most public services even combine a centralised with a decentralised approach.

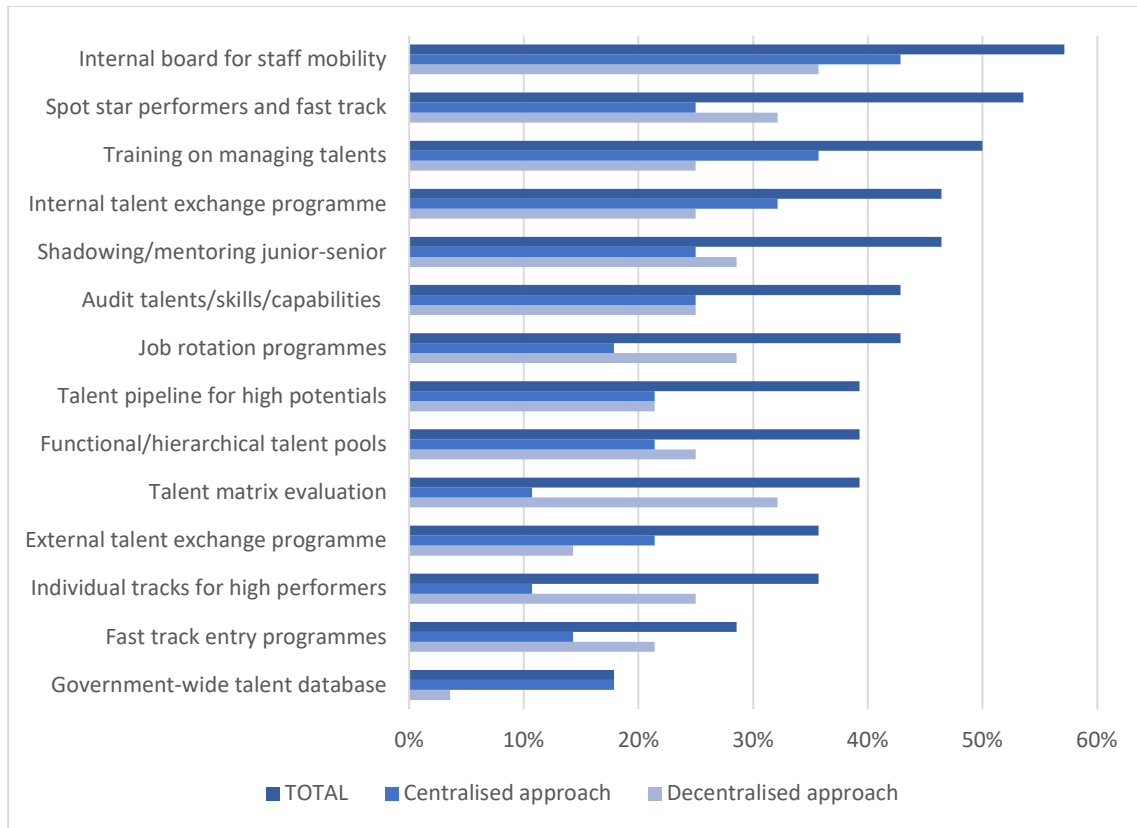
The second most widely used tool to manage an ageing workforce are knowledge transfer systems from older workers to younger employees. 57% of the public administrations in the survey indicate the use of these systems. Its implementation is predominantly decentralised, which implies that the tool can be adjusted to the needs and requirements of individual ministries or agencies in government. Similarly, the reverse knowledge transfer systems from young to older workers (e.g. the mentoring on digital skills) are also decentralised.

Several other tools for managing an older workforce are also commonly used. These include tools such as succession planning (46%), measures designed to better leverage the experience and knowledge of older workers (43%), special health measures directed to older workers (39%) and tools for promoting a greater diversity and inclusion among the workforce (39%). Most of these techniques for managing an older workforce are implemented at the ministerial/agency level rather than at the central level. Public services have not only adjusted their workforce tools to take into account the particularities of their older workers, they have equally made tailor-made approaches possible at the ministry/agency level. Interestingly, Figure 2.3 shows that specific talent management practices to manage an older workforce are deployed the least frequently.

Talent management is primarily used in a decentralised manner by a small group of participating administrations (23%). Figure 2.4 explores in more detail the talent management tools that are deployed by the public administrations and describes these tools. The figure demonstrates that talent management is more frequently used to mobilize talents within and among organisations, rather than as a tool for managing an older workforce specifically.

**Figure 2.4. Use of talent management tools**

% of responding public administrations



Note: n=28

Source: OECD (2020), Survey on Ageing and talent management practices in European public administrations

**Table 2.1. Common talent management tools**

Tool	Description
Audit of talents skills/capabilities	In-depth examination of key skills gaps within or across organisations. This could take the form of employee skills gap analyses.
External talent exchange programmes	Some public administrations are experimenting with mechanisms to enable public servants to work temporarily outside the public service and/or attract candidates from outside the public service to undertake short-term secondments in government.
Fast track entry programmes	Fast-track entry programmes aim to attract outstanding candidates by providing a structured way to join the public service and move rapidly through a series of development assignments before taking on management responsibilities. Fast-track programmes usually target recent university graduates but may also be used functionally for specific positions, e.g. for candidates with specific skill sets.

Functional/hierarchical talent pools	Creating and using talent pools are ways for the public service to access staff with specific skills that can be easily accessed and deployed as needed. Talent pools can form part of succession planning, i.e. reserves of candidates considered suitable to assume management positions in the near future. Or they can work functionally, e.g. groups of staff with specific digital skills that can be available for cross-government assignments.
Government-wide talent database	Talent databases are platforms where managers can access details of particular skills or profiles available within the organisation. Project managers, for example, can use talent databases to build project teams based on lists of key skills or achievements.
Individual tracks for high performers	Specialised development programmes for high-performers is a feature of some organisations that apply talent management practices to groups of individuals. Such programmes could involve accelerated training on management and leadership techniques with a view to establishing a pool of future leaders.
Internal talent exchange programmes	Many public administrations state that they are keen to break down silos between different parts of the public service. Internal talent exchange programmes are one way to do that, enabling employees to develop new skills by working in a different part of the public service.
Job rotation programmes	Linked to the idea of exchange, job rotation programmes allow employees – or groups of employees, such as fast-track staff – to experience different parts of the organisation through undertaking short exchanges in various parts.
Shadowing/mentoring junior-senior	Mentoring is one of the most commonly used talent management tools in organisations. Mentoring typically involves the structured sharing of experience and advice, usually from more experienced workers to younger ones – but in recent years 'reverse mentoring' has grown in popularity, recognising that lifelong learning is key for all age cohorts.
Spot star performer and fast track	Related to some of the tools discussed above, this tool involves the use of methods to detect high performers and guide them toward structured career development activities. It implies the existence of a robust performance management systems and agility in human resource management systems.
Talent matrix evaluation	Created in the 1970s by McKinsey, the 9 box talent matrix is a grid that allows companies to look at staff based on their performance (X-axis) and potential (Y-axis), and to develop management strategies accordingly.
Talent pipeline for high potentials	Pipelines are structured ways for workforce managers to plan how to align workforce capabilities with current and emerging needs. Management pipelines, for example, may involve the detection and support of candidates who can move into management positions as vacancies arise.
Training on managing talents	Training on talent management involves raising awareness of the different components and drivers of effective workforce management. For some organisations, training may be directed at the human resource department in order to up-skill HR practices; in others, training on talent management may be directed at line managers in order to help them think more strategically of their



	role in building effective workforces.
--	--

Source: OECD

Figure 2.4 shows that most of the commonly deployed talent management tools in the public service are implemented centrally, across the full central administration. This may be because centralised approaches to talent management enable a system-wide view of skills gaps and needs. Indeed, central HR authorities can play an important role to develop, facilitate and sustain common talent management practices across the civil service, and support organisations to develop their own. Central HR authorities could, for instance, share best-practices and offer practical support for the development and implementation of talent management strategies and tools. In that respect, they can for instance set up checklists or decision-trees for choosing the most appropriate tools, or they can establish a network for knowledge exchange among public service organisations to facilitate talent management practices. There are, however, a number of specific tools that appear to be more commonly deployed at a decentralised level, such as job rotation programmes and specialised career tracks for high-performing staff.

The results in the table show that public administrations mostly rely on internally-focused job boards or portals to encourage mobility among staff (57%), as well as on the identification of 'star performers' to provide specialised career development (54%). These strategies are generally aimed to 'build' talents internal to the organisation. In addition, nearly half of the administrations in the survey indicates that they make use of an internal talent exchange programme that promotes the opportunities to train their middle and senior managers on how to manage talents (50%), and for mobility within public service (46%).

The administrations in the survey make the least use of a government-wide talent database as a tool for managing talents. The reported totals for this tool are the lowest at 19%. Only Belgium, France, the European Commission, Malta and Turkey make use of such a database. Strategies for 'borrowing' talents from the outside are not that widely used, although they are not uncommon either. External talent exchange programmes and mobility opportunities between the public and private sector, as well as fast track entry programmes are used by 37% and 30% of the surveyed administrations respectively.

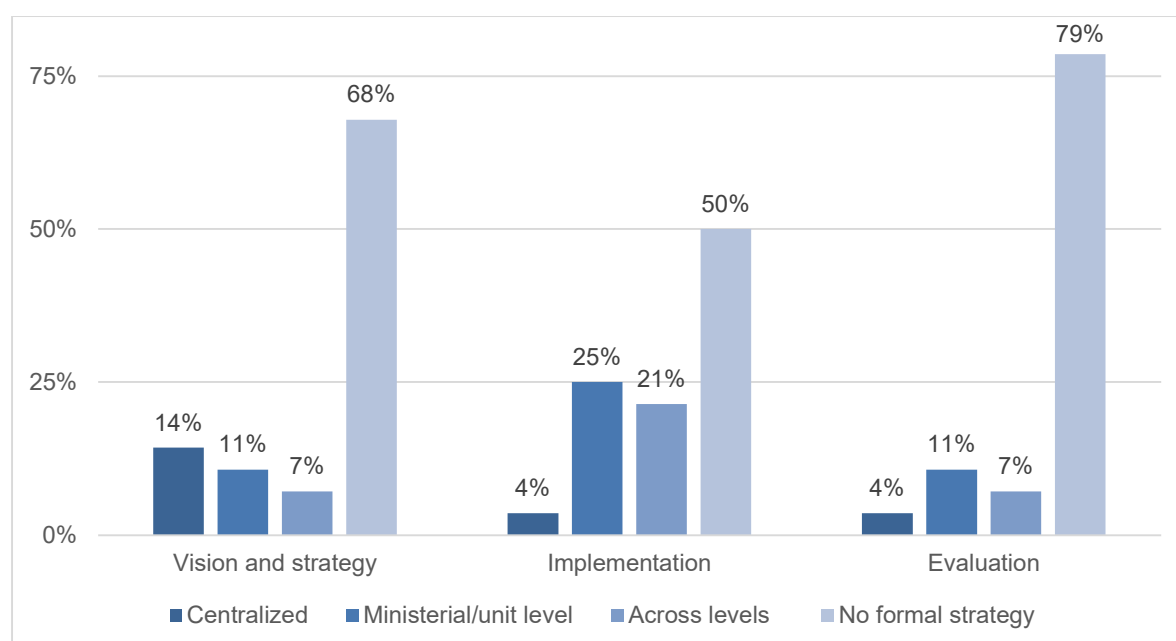
## A strategic approach to talent management in an ageing public service

In addition to the number and mix of talent and age management tools described above, the long-term effectiveness of talent management practices can be influenced by the degree to which the use of such tools is guided by a strategy or plan, or 'ad-hoc', i.e. taking place without formal coordination structures or processes being in place. The survey also investigated whether talent and age management strategies are formulated centrally or by individual ministries or agencies. It also covered whether the implementation is formalised and left to individual organisations or implemented across the public service, and whether there has been any formal evaluation of talent management

Figure 2.5 shows that age management practices tend to be ad-hoc. Only four respondents (Austria, Germany, Poland and the European Commission) identify a formal strategy, with coordinated implementation and evaluation. In contrast, thirteen administrations indicate to have no formal approach in place for age management at any stage of development. Over two-thirds (68%) of administrations in the survey indicate no formal strategy on ageing in the public service. Half (50%) of the participating public administrations in the survey lack a formal approach for implementing ageing practices, and 79% indicate no formal system to evaluate (79%) its age management practices.

**Figure 2.5. Strategic approach to ageing in the public service**

% of responding public administrations



Note: n=28

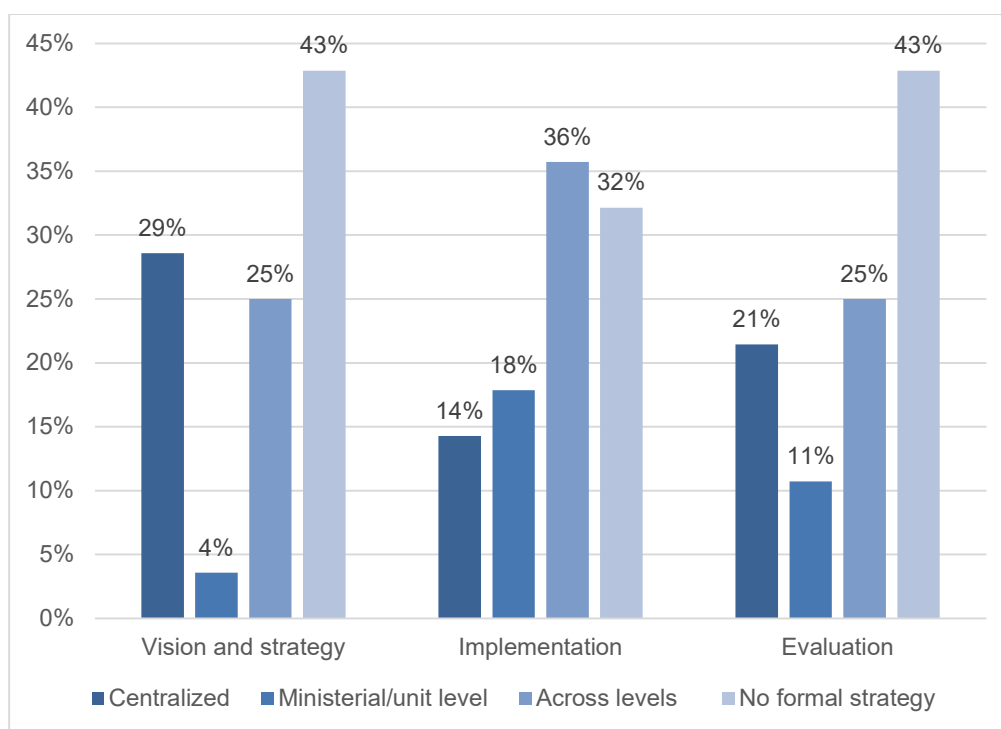
Source: OECD (2020), Survey on Ageing and talent management practices in European public administrations

The figure further illustrates the different approaches adopted at the various stages of development of age management practices. When public administrations formally develop a vision and strategy on ageing management they do so centrally or at the ministerial/unit level. The formal implementation and evaluation of age management, in turn, is left predominantly to the ministries/organisational units, or is conducted jointly with the central level.

Talent management presents a different picture. In fact, half of the 28 respondents in the survey indicate the use of a formal strategy, coordinated implementation and evaluation. There is a clear connection between this strategic approach and the number of tools used for talent management within the public service. Eight out of eleven administrations with the highest tool use have strategies that formalise all three stages of development. Conversely, four out of six administrations with the lowest tool use have no formal approach at any stage of development.

**Figure 2.6. Strategic approach to talent management in the public service**

% responding public administrations



Note: N=28

Source: OECD (2020), Survey on Ageing and talent management practices in European public administrations

Figure 2.6 illustrates that centralised departments have an important role in the development of a comprehensive talent management strategy for the public service. In 50% of cases where a vision and strategy are developed (29% overall), this vision is developed centrally, while an additional 44% develops a strategy on talent management jointly between the centralised departments and ministries/agencies/units. On the other hand, the vision and strategy for talent management is rarely left to the HR services of individual policy departments and agencies, nor developed at the unit-level within a public organisation.

While the decentralisation of strategies on talent management is limited, the implementation of tools for managing talents within the organisation is left much more to the decentralised entities in the public service. More than a quarter (26%) of the administrations that formalised their implementation stage indicate that this is the case. Mostly, however, implementation is conducted jointly between the central departments and the individual ministries/agencies/units. More than half (53%) of the public services that have formally implemented talent management do so based on this combined approach.

The formal evaluation of talent management displays more varied results. Once again evaluations are mostly coordinated between the centralised departments and the decentralised entities in the public service. Nearly half of the countries that evaluate talent management practices (44%) use this approach. But single centralised or decentralised approaches are not uncommon either, with 38% and 19% of the responses respectively.

## Conclusions: moving from ad-hoc tools to talent management strategies

The first conclusion to draw from this data is that public services in the EU are using many varied tools to manage talent in their multigenerational workforces. At this high end are tools to manage a phased transition to retirement and to manage the associated knowledge transfer challenges, as well as internal mobility tools and talent identification. At the low end of use tend to be data-driven tools, in particular the talent data base.

However it appears that many of these tools are used in an ad-hoc fashion, and not consistently across administrations. In the area of age management in particular, most tools are used by individual administrations rather than at central level, and few countries have developed strategies with formal implementation and evaluation. When it comes to talent management, the field is a bit different – more tools are centralised and there is a greater occurrence of formalised strategies, implementation and evaluation.

This may reflect the commonly held notion that workforce management should focus on a multigenerational workforce, rather than on older workers specifically. Contextualising the specific challenges of older workers within a multigenerational workforce presents opportunities to broaden the policy landscape to address inclusion, sharing and growth collectively. This means that talent management must take into account all generations of the workforce working together and not only new talent entering the workforce. Talent management in a multigenerational workforce is the focus of the next chapter.

# **3**

## **Talent management for multigenerational public services**

---

Talent management is a tool that has great potential for managing multigenerational workforces. This chapter discusses the concept and components of talent management. It presents a framework for its application in the public sector, discusses the trade-offs involved in an exclusive vs. inclusive approach, and suggests a series of steps for the implementation of talent management in the public service.

---

## Key takeaways

- Public administrations may wish to think of Talent Management in terms of practices that are *Forward-looking*, *Flexible* and *Fulfilling*. These aspects could be adapted to guide the development of strategies to manage older and multigenerational workforces through more systematic use of talent management practices.
- While public workforces are increasingly multigenerational, the relatively large concentrations of older workers in some public administrations point to the need to ensure effective knowledge transfer. Shaping better and more fulfilling paths to retirement – enabling older staff to wind down careers gradually – may address the challenges (e.g. knowledge gaps and succession planning) associated with abrupt transitions from working to non-working life.
- Talent Management is a continuous, cyclical process with multiple actors across public administration – not solely human resource departments. Managers now have a greater role in hiring and developing talent than in the past, and need to be able to draw on a range of tools to attract, recruit and develop talent effectively.
- To implement effective talent management practices, public administrations may wish to review their internal capacity and capability to do this effectively. Human resource officers and line managers may need to up-skill and develop new competences, such as in candidate sourcing and in managing and developing multigenerational teams.

Previous chapters have presented the concept of talent management and discussed instances of its application in European central administrations. Talent management can be seen as a particularly useful practice to be able to maximise the benefits associated with multigenerational workforces while mitigating the potential downsides of older cohorts of workers that will soon retire. Chapter 1 concluded with the introduction of the OECD model for the future of work in the public service: this model emphasised the need for public administrations to be forward-looking, flexible and fulfilling in terms of how they manage staff. This model could be adapted to guide the development of strategies to manage older and multigenerational workforces through more systematic use of talent management practices:

- **Forward looking:** In a fast-changing employment environment, with scarce skills and resources on one side and unpredictable changes on the other, robust strategic workforce planning becomes a cornerstone of public employment policies. In a multigenerational workforce, this suggests the need for public employers to be forward looking in terms of preparing for the retirement of older workers, succession planning, and renewal – identifying the kind of talent needed to replace retiring workers.
- **Flexible:** Most public service systems were established to emphasise stability and predictability, but agile responses to the coronavirus crisis have proven that flexible people management is possible in the face of complex, fast-moving crises. In a multigenerational workforce, this now presents a new opportunity to implement greater flexibility into standard operating procedures to enable the public service to adapt its employment conditions to the individual preferences of different employees. This may include enabling remote working and flexible working hours to adapt to the needs of different employees at different life stages. It also requires staffing systems that can recruit and allocate existing talent to needed areas – regardless of age. It also suggests the need to develop all-ages learning and development systems to ensure that skills remain relevant at all phases of the working life cycle.
- **Fulfilling:** Public administrations will be required to be ever more competitive to attract and retain scarce talent, in a tight labour market with ongoing fiscal pressures. This suggests the need to focus on providing fulfilling employment to an increasingly diverse labour market. In a

multigenerational workforce, this requires a focus on engagement and performance, leadership and work design to ensure the public servants have roles they feel contribute to public value – particularly as they approach retirement. It also means supporting employee health and wellbeing, to ensure that employees can contribute their talent to the best of their potential.

In terms of maximising the benefits of a multigenerational workforce, employers need a fresh approach. All skills have a limited shelf-life if not further developed. In this context, employers need to ensure that the skills of older workers do not become obsolete while at the same time ensuring that the skills of younger generations of workers are continually developed (OECD, 2020<sup>[1]</sup>).

### Forward-looking talent management: planning for retirement and renewal

A forward looking public service anticipates how demographic changes may affect its workforce and aligns workforce management to ensure that it is able to renew skills and develop talent effectively. This requires good workforce data to understand ageing, retirement and other departure patterns, identify areas at risk of losing knowledge and experience, and put in place knowledge management strategies. It also means ensuring that talent management is done with a long-term vision of the skills and competencies the organisation will need, and ensuring a pipeline of these skills are available so that departing workers does not result in a gap in productivity or service delivery.

The collective memory of any organisation consists of the knowledge, skills, and wisdom of its workers. The total of knowledge within the organisation is more than the information captured by tangible documents and data. An important part of organisational knowledge resides with individual workers. Experienced workers - who are often also older workers - are in many cases invaluable to the organisation. But despite that, not enough attention is given to ensuring that they can pass on their knowledge and experience within the organisation. Many organisations lack talent management strategies that deal with possible knowledge gaps and aim to stimulate the transfer of knowledge between older and younger, or experienced and less experienced workers. However, it is encouraging to see that 57% of the countries responding to the survey outlined in Chapter 2 do report some tools in place to do this.

The issue of knowledge transfer and retention is particularly challenging because it requires a long-term perspective and commitment from the organisation. The transfer of knowledge does not occur spontaneously either, and is dependent on the motivation of older workers (Calo, 2008<sup>[22]</sup>); (Walker, 2020<sup>[23]</sup>)). Organisations can develop strategies to overcome the barriers to effective knowledge transfer between workers. The first step is to ensure that older workers be made actively aware of the value of their knowledge to the organisation, and be motivated to share that knowledge with colleagues and successors. Elements of such a strategy may include the following:

- **Multi-generation teams:** Knowledge transfer in organisations can be facilitated through a culture of experimentation and critical dialogue. Developing teams for specific projects with an aim to include multigenerational talent can be one way to address the issue.
- **Job rotation programmes:** can also be a way of encouraging exchange. These are programmes which aim to move certain employees through various areas during a period of time as a way of personal development. Ensuring this kind of structured rotation and exchange can help to share information from one team to another, and across groups of employees. Under half (43%) of the countries surveyed report the existence of this kind of programme.

- **All ages learning and development programmes:** learning and development is not just for young recruits: ensuring that older workers are also involved in training, and setting up groups that aim to encourage exchange within training programmes, can stimulate creativity and facilitate knowledge transfer.
- **Mentoring and coaching** can help more experienced workers pass on their knowledge and experience. Mentorship and coaching differ in their formality. Coaches generally have specific training and may be brought in to help a particular employee with a particular challenge. Mentorship programmes, on the other hand, may be relatively informal. Just under half (46%) of responding countries report using mentorship programmes. Both are shown to provide individual benefits for mentor/mentee in terms of skills development and also in terms of developing the social skills and awareness. Austria's approach to knowledge mentoring (Box 3.1) shows how the concept of mentoring can be institutionalised with a specific focus on pre-retirement knowledge transfer.
- **Job Sharing:** Box 3.2 presents an innovative approach from Germany whereby younger and older workers share a position for a period of time to enable a smooth transition and transfer of knowledge before retirement. This can be used for specific positions that require a complex understanding of a particular context and help to situate the new employee in the network of stakeholders developed by the previous.

### Box 3.1 Knowledge mentoring to strengthen knowledge retention in multigenerational workforces: case study of the Austrian Federal Administration

A key aspect of workforce planning and human resources management is not only knowledge transfer, but knowledge exchange and dialogue. Complex challenges are best resolved through a co-ordinated approach overcoming organisational and hierarchical silos instead of one-sided decision-making processes. As the Austrian Federal Administration has recognised, this can be best supported through effective knowledge management for individuals and the organisation – especially in the context of an ageing public sector workforce.

As such, the Austrian Federal Administration adopted a formal strategy to proactively address the challenges of the future. Among these challenges was the high percentage of staff forecast to retire in the coming years: data from the Federal Chancellery suggested that 36% of staff would retire between 2012 and 2023. Mitigating the risk of a reduction of the knowledge base because of this retirement rate is crucial to ensure a high quality of public service. Therefore, the objective of the strategy is to strengthen knowledge management measures resulting in higher knowledge retention and to incorporate consistently knowledge management in the public administration's processes.

#### **Knowledge mentoring to strengthen knowledge retention**

As part of the Federal strategy, the Ministry of Finance has institutionalised “knowledge mentoring” to proactively manage staff retirement and related knowledge retention. Knowledge mentoring identifies civil servants who are scheduled to retire and who are crucial ‘knowledge carriers’. It then initiates measures to secure and pass on this knowledge. This includes transferring special knowledge, experience and as far as possible the network of professional contacts. It is used whenever an employee leaves his or her workplace entirely, or for extended periods such as during parental leave.

Concerning retirement, the mentoring starts with an analysis of a department concerning age and special knowledge of the staff members. Every manager is required to analyse this at least once a year.



In case of the possible retirement of an expert during the upcoming months, the manager initiates a knowledge management process. The process includes e.g.

- Which knowledge should be transferred to a younger staff member to prevent the loss of knowledge,
- How should this transfer happen, e.g. trainings, coaching, checklists, videos etc.
- When (during the next weeks, months), and
- To whom (one or more persons).

Concerning the mentees selected for the process, the Ministry underlines that they should be selected transparently and that participation in the process does not guarantee that the mentee will overtake the mentor's functions. Furthermore, the process encourages managers of mentors and mentees to acknowledge the potential additional workload of mentoring and consider this in the allocation of the work of the mentor and mentee.

To support the managers and the mentoring participants, the Ministry of Finance has also published checklists and guides on the intranet. These encourage the managers, mentors and mentees to develop a detailed mentoring plan and record the topics, results and dates of any steps taken as part of the mentoring process. It also foresees a closing meeting to reflect on the overall process.

The overall strength of the knowledge mentoring process within the Ministry of Finance is that it supports the workforce planning in a context of an ageing workforce by institutionalising knowledge management processes. It provides managers with the tools to routinely plan retirement processes in their area of responsibility and develop in-depth processes to ensure the transfer of knowledge and expertise. This mitigates the risk of losing knowledge due to employees leaving. The Ministry can ensure that knowledge is retained and mentees are supported in developing skills. This may also support the public administration in tackling complex future challenges by promoting permeability of knowledge across areas. Furthermore, involving managers, mentors and mentees in the organisation of the specific steps of the mentoring process can also promote ownership among the workforce by making this a more inclusive exercise, rather than a top-down tool.

Source: Information provided to the OECD by the Ministry of Finance of Austria

### Box 3.2. Structuring knowledge transfer in the German public service

Similar to other OECD countries, the retirement of the largest birth cohort recorded in Germany (1950-1969), so-called baby boomers, will considerably alter the structure of the workforce in the public sector. In order to anticipate this change, the Federal Government developed a demographic strategy "*Every age counts*". As part of this strategy, a working group was established to develop measures to ensure an attractive and modern public service in the long term. One of the recommendations of this working group was the introduction of systematic knowledge transfer in all public authorities to mitigate the risk of knowledge loss when a public employee retires from the public service. This is not limited to specific technical and methodological knowledge and skills, but also relevant for the knowledge that is usually undocumented among others, contacts and networks, special customs or problems. The structured transfer of knowledge pays particular attention to transferring this kind of knowledge in addition to technical and methodological capacities.

As one of the tools introduced in the public sector, a job pool has been set up which allows for posts to be filled by two persons instead of one for a limited amount of time, the one person being close to retirement, the other one taking over the job from him or her. This transition phase prevents the loss of knowledge and facilitates the new jobholder's onboarding.

These so-called demographic posts are open to the entire federal administration. The application for a demographic posts is made via an online platform of the Ministry of Finance (*Bundesministerium der Finanzen*, BMF). Prior to making the application, the respective authority must fill out an application form confirming the eligibility requirements for the use of demographic posts. This application form must be sent to the Ministry of the Interior, Building and Community (*Bundesministeriums des Innern, für Bau und Heimat*, BMI) which then posts the application on the online platform. The BMF is responsible for the final approval of the post. The demographic posts are usually authorised for 12-18 months, although may can be extended to 36 months in exception circumstances. Demographic posts can only be used for grades A6m to A13h. Demographic posts cannot be requested for higher-ranking posts.

The purpose of the demographic posts is to ensure a skilled labour base and to recruit qualified junior staff in the public service. The main focus is on professions for which there is a shortage of qualified candidates (in particular IT specialists, engineering professions, natural scientists, medical doctors, and in individual cases also highly qualified administrative staff with specialised knowledge). Taking this into account, the demographic job pool is limited to 500 posts for the entire federal administration.

Additional tools to structure the knowledge transfer accompany the demographic posts which are recommended to be taken when an employee retires irrespective if a job has been filled by two people or not. In detail, the process is recommended to look like the following:

1. **Needs assessment:** No later than six months before retirement, the manager and the retiring employee conduct a needs assessment to determine what action is required to ensure a successful transfer of knowledge. A handover note is to be drawn up by the post holder detailing how the existing knowledge can be documented and made usable for the successor.
2. **Succession meeting:** Prior to the departure, a succession meeting is organised between the departing employee and the successor. In the meeting, they discuss the handover note, clarify open questions and uncertainties and, if necessary, provide practical instructions. If no successor has been selected at the time of leaving, the succession meeting is not held.
3. **Handover meeting:** The handover meeting takes place immediately before the departure and is organised between the manager and the post holder and, if already selected, the successor. In this meeting, the status quo of projects is analysed and the job is formally handed over.
4. **Optional kick-off meeting:** If the successor was not able to participate in the succession meeting and/or the handover meeting, the manager conducts a separate kick-off interview with them directly when taking up duties. In this meeting, the handover meeting is discussed and the handover note is handed out and explained. The kick-off meeting is also the starting point for the subsequent familiarisation phase, in which reference should be made to the contents of the handover note.

Once all the meetings have taken place, the manager informs the unit responsible for personnel management that the transfer of knowledge has been completed. The BMI has developed examples of checklists for managers to oversee the process and the employee. It also provides samples and examples to guide the meetings, including questions that should be discussed and technical issues to be addressed, and for the handover note. In the handover note, a specific focus is set on the personal experiences of the employee retiring asking to provide details on: success stories, difficult situations, factors that favoured and supported success, any kind of obstacles in the past or in the future, factors

important to carry out the task(s) successfully, any potential conflicts in the future and any fundamentally noteworthy/unwritten rules.

Source: Information provided by the German Federal Ministry of the Interior, Building and Community; BMI HII3 (2019), Strukturierter Wissenstransfer in Altersabgängen – Konzept, available from [https://www.bmi.bund.de/SharedDocs/downloads/DE/veroeffentlichungen/themen/oeffentlicher-dienst/demografiestrategie-konzept-wissenstransfer.pdf?\\_\\_blob=publicationFile&v=2](https://www.bmi.bund.de/SharedDocs/downloads/DE/veroeffentlichungen/themen/oeffentlicher-dienst/demografiestrategie-konzept-wissenstransfer.pdf?__blob=publicationFile&v=2)

An additional aspect of a forward looking talent management approach for a multigenerational workforce is to plan ahead for the succession of key positions. However, less than half of the countries responding to the survey in Chapter 2 report doing succession planning. Senior level public servants tend to be older than the average and are often in their final position before the end of their career. Ensuring that people are ready to jump into their roles when they leave requires an effective pipeline of future leaders that can be developed early, recognising that the complex challenges facing people in these positions already require highly capable people. A recent working paper on Leadership for a High Performing Civil Service outlines a number of ways that OECD countries build that pipeline (Gerson, 2020<sup>[24]</sup>). However only about 40% of survey respondents report the active management of a talent pipeline in their public service. Box 3.3 presents how the Irish civil service has taken a forward-looking approach to developing future leadership talent.

### Box 3.3. Executive Leadership Programmes (ELP) and career development in the Irish civil service

Ensuring the career development of public servants is an important part of many talent management programmes. The Irish civil service provides structured career development possibilities to segments of the workforce through the *Executive Leadership Programme* (ELP). The ELP targets the Senior Public Service (SPS) group and the Principal Officer (PO) level. The ELP stems directly from the Civil Service Renewal Plan, pointing to the importance for talent management initiatives to be grounded in a higher-level strategy. The ELP is organised by the Department of Public Expenditure and Reform and delivered off-site by an external training provider.

The format involves a one-day development centre to assess current leadership strengths and development areas, three two-day modules and coaching and mentoring. Focussing on distinct groups ('exclusive talent management') enables the targeting of key competences. Small group size facilitates interaction between participants and ultimately the application of learning to professional situations.

The content of the ELP is as follows:

Content	Modules
Leading transformation in times of ambiguity and change	<ul style="list-style-type: none"> <li>Module 1: developing the necessary emotional intelligence and presence to meet the challenges of 21st century Leadership in Government</li> </ul>
Working with Ministers and the political system	
Empowering systems and staff	

Emotional intelligence	<ul style="list-style-type: none"><li>• Module 2: capability required to be empowered and empowering senior leaders across the civil service</li><li>• Module 3: leading across boundaries and creating the conditions for effective cross-Government collaboration</li></ul>
Finding the time for leadership	
Resilience in the face of unrelenting pace and pressure	
Collaboration across boundaries	

---

### ***Takeaways for governments***

- Align career development with over-arching workforce strategy
- Provide support for alumni/graduates of career development programmes to retain networks
- Off-site programmes perceived well by participants (time out from day-to-day pressure)
- Preference for more applied course content (e.g. exchanging with peers) rather than theoretical content
- Strong potential to involve recently retired civil servants in executive leadership training programmes: this can be a win-win as a way to leverage the experience of older workers as well as enabling recent retirees to maintain networks and identities.
- Sequencing different interventions to embed learning: group work followed by one-to-one coaching

Source: Whitaker Institute (2020), SPS and PO Executive Leadership Programme Evaluation, <https://www.nuigalway.ie/about-us/news-and-events/news-archive/2020/february/launch-of-dper-senior-civil-service-executive-leadership-development-evaluation-report-conducted-by-nui-galway.html>

## Flexible talent management practices

Talent management can also include tools that support the flexibility of public employment systems, which is all the more important when taking a multigenerational perspective. The approaches presented below as the '4 Bs' - buy, build, borrow, bind - are all about identifying potential mismatches between the supply and demand of talent in the organisation and attempting to address this mismatch by purposefully redesigning talent management strategies and tools (e.g. (Calo, 2008<sup>[22]</sup>); (Rappaport, Bancroft and Okum, 2003<sup>[25]</sup>)). When used together effectively, they form the foundations of flexible talent management:

- **Buy (i.e. recruit):** Public administrations can buy talent from the market when they do not possess the talents or skills they need. Recruitment – as opposed to internal development – can also be a practical option when there is an urgent demand for a particular skill set. However, recruiting new public servants may be politically challenging given restraints on hiring in some EU public services. To attract specific talent, 29% of responding countries use some kind of fast-track recruitment programme. From a multigenerational perspective, recruitment is often age-biased. Indeed, international data shows that ageism is the highest-reported form of workplace discrimination overall, and is most often reported by older workers. Most public services in the OECD have developed interventions to address this type of bias in the recruitment of older workers. In many traditional career-based public services, recruitment is done primarily at the bottom of the organisational hierarchy, and public servants are expected to spend their career working their way up. This may reduce opportunities for the recruitment of older workers into the public service. Opening up recruitment at mid- and higher-level positions would be an essential first step. Then, ensuring that assessment processes recognise and value experience developed elsewhere, and are focused on assessing competencies, can help level the playing field.

- **Build (i.e. internal development).** This aspect of talent management is fundamental, particularly in the public service where employees tend to spend long careers. This is especially relevant in a multigenerational context where older workers face retirement. OECD research also shows that older workers spend about half as much time in training than their younger colleagues, which suggests that the skills developed earlier in one's career risk not being updated as required, particularly in a context that is itself changing ever more rapidly. Whether different generations learn differently is an open question and research findings are mixed. What seems to be clear is that different people learn differently and this points to the need to develop a learning culture in the public service that provides a multitude of learning opportunities on the job, in the classroom, and informally with colleagues. Personal employee development plans, which are used in many public services for every employee, can be a way of ensuring that learning opportunities are applied equally across generations.
- **Borrow (i.e. temporary assignments):** Public administrations can also 'borrow' talent through secondment and mobility programmes inside the public service (e.g. across ministries) or with other sectors. While 57% of EU public services who responded to the survey in Chapter 2 report the use of internal boards for mobility, many other tools are often under-utilised – for example 46% have an internal talent exchange programme, and only 36% have a programme for external talent exchange (e.g. with the private sector). The 'borrow' strategy is particularly useful for public organisations in cases where expertise and skills are required for specific short-term projects, or where the design and implementation of projects that are cross-sectoral in nature necessitate the temporary input from employees with niche skill sets. Box 3.4 outlines how the Belgian Federal Public Service structures and supports mobility within the public service. Box 3.5 describes how Slovenia encourages mobility across the public and private sectors.
- **Bind (i.e. retain)** is used to retain employees within the public service and to optimize the skills they have. A variety of employment and personal development practices can be applied here, including the creation of monetary reward schemes or other benefits based on performance, the opportunity for training and skills development, the institutionalization of mentoring and coaching trajectories, and other attractive working conditions. Just over half of the countries responding to the survey indicate that they try to identify 'star performers' and provide options to fast-track their careers. This can be a way of retaining high potential employees for key positions. Flexible working conditions, such as the use of remote working, is also something that would fit here and can help to engage workers from all across the generational spectrum, helping to better balance work and family life.

A final element of a flexible approach to talent management focused on older workers is the use of gradual, or phased, retirement plans. These plans enable older workers to have more control over their final years in the workforce. They can be a win-win situation, whereby older workers continue contributing their talent to organisations in ways that suit their interests and abilities. Almost two-thirds of EU countries offer some form of phased retirement according to the survey in Chapter 2. Ensuring these are appropriately designed and meet the real needs of retiring employees and their employers is key to a flexible talent management strategy.

#### Box 3.4. Case study on Mobility and talent exchange in the Belgian Federal public service

In Belgium, a network of 21 organisations (public and semi-public) are members of a programme called Talent Exchange. Organisations can request for temporary staff from the other organisations within the network for a project or special skills. A staff member who works temporarily for another organisation (up to twelve months) does so on a voluntary basis and stays on the payroll of his or her organisation.

For the civil servant it is an opportunity to develop skills and build another network outside his organisation.

Five key values underpin the Talent Exchange programme:

- Development: ensuring that staff can access opportunities for professional development
- Positivity: promoting staff engagement through fulfilling work experiences
- Sharing: recognising that exchanging experiences spurs innovation and engagement
- Agility: equipping the public service with flexible and speedy solutions to skills gaps
- Valuing: making sure that mobility exchanges are seen as a value-add

Staff who want to undertake an exchange can view the available posts on the Belgian 'Selor' portal. 'Selor' is the Belgian HR Business Partner for more than 150 public sector organisations. Each vacancy notice sets out the duration of the exchange, the competences and skills required to carry out the tasks, and explains the application procedure. This is usually submission of a CV/motivation letter followed by interview. Successful candidates are put in touch with a 'Talent Exchange' coordinator at the organisation where they undertake their exchange, and supported by mid-way and end-of-mission sessions organised by their original organisation. Both organisations (sending and receiving) organise an evaluation of the exchange toward the end in order to develop good practice.

For organisations who need short-term expertise or reinforcement on a particular project, Talent Exchange is framed as a strategic tool to meet that need. The types of exchanges vary from support functions to more technical ones such as in IT or legal affairs – key areas where many organisations across the OECD report skills gaps. Guidelines exist in order to prevent the exchanges being used as a way to ignore long-term structural issues in organisations' workforces. For employers, Talent Exchange is pitched as particularly attractive given the shortened recruitment procedure.

Takeaways for governments

- Robust framework in place: Organisations involved in the programmes sign a common charter, and the exchanges are grounded in existing regulations.
- Clear communication on fundamentals such as retention of salary package, leave entitlement, and reintegration procedures once the exchange is complete.
- Clear definition of the values involved helps actors understand their role
- Talent Exchange identified budgetary and cultural constraints as two of the key barriers to mobility
- Professional development in a different work environment can be stimulating for the person involved, and beneficial for the organisations she or he works for.

Source: Belgian Federal Public Administration (2021), Talent exchange website, [www.talentexchange.be](http://www.talentexchange.be) (Accessed 15 March 2021)

### Box 3.5. Partnership for Change: case study on Talent mobility in the Slovenian public administration

*Partnerstvo za spremembe* ('Partnership for Change') is an innovative programme focussing on the exchange of employees and the transfer of good practices between the public and private sector in



Slovenia. It is employee-led and coordinated by the American Chamber of Commerce in Slovenia (Amcham Slovenia) and the Slovenian Ministry of Public Administration. First piloted in 2015, the Programme's initial goal was to facilitate more cooperation and greater mobility of employees between the public and private sector. The project has grown over time, with each successive 'round' involving more employees, companies and Ministries. The programme now includes local level in addition to the central administration.

At a time when more complex policy challenges call for new ways of working and more diverse experiences, the talent exchange programme provides the opportunity for public servants in Slovenia to undertake a short five-day exchange in different parts of the public sector, or at a private sector company. The Slovenian Ministry of Public Administration is in charge of coordinating the talent exchange programme for public servants. The programme began 'over pizza and a beer' between the Minister for Public Administration and representatives of *Snežna Kepa* ('Snowball'), an association of young Slovenians from the public and private sector.

**The programme is voluntary.** Candidates from the public sector can express an interest in completing an exchange in order to better understand new ways of working in other organisations. The programme initially focussed on exchanges between the public and private sector, and now includes options to move internally within the Slovenian public administration. From the beginning, the core value of the exchange programme was to make the exchanges as fluid and accessible as possible – rather than risk putting candidates off applying through excessively bureaucratic procedures.

**Individualised exchanges.** Each exchange is organised through a tripartite memorandum of agreement signed between the participant, the sending institution and the receiving institution. Candidates submit a letter of motivation stating what they do, where and why they wish to complete an exchange. Once validated, the Ministry of Public Administration contacts the relevant organisation in the public sector and Amcham Slovenia contacts the relevant organisation in the private sector to determine the possibility and modalities of an exchange.

**Focus on experiences and feedback.** Given the relatively short time period of the exchange, candidates do not receive specific training. Instead, the emphasis is on immersive learning through experiencing the day-to-day reality of work in another organisation. There are no specific objectives to fulfil – apart from the obligation to provide feedback to the Ministry of Public Administration. The format of the feedback is left to the participant – it can be written but some candidates have experimented with submitting short video narratives outlining the benefits and lessons learned during their exchange.

**Longer exchanges within the public sector.** The programme's initial aims was to boost exchange of experience between the public and private sector. Now, however, more Ministries are interested in the programme. The goals for the future are to expand the possibilities of exchange across different organisations from within the public sector in order to break down silos.

**Building a culture of cooperation.** One of the first indirect effects of the exchange programme was to create a group of motivated public employees in public and private sector from all age categories to co-create solutions for public administration challenges. The programme evolved in a platform of collaboration and now includes a component focussing on creative problem-solving challenges in the whole society. With the annual publication of the competition, public and private sector employees jointly address different challenges, breaking the barriers and stereotypes while creating positive stories and proving that collaboration between public and private sector in a new, different way is working.

Source: Based on information provided by the Ministry of Public Administration to the OECD, as well as background information on the exchange programme website: <https://www.partnerstvozaspremembe.si/>

## Fulfilling talent management practices

The public service will need to provide fulfilling work experience to attract and retain talent across the career lifecycle. Talent management practices are a core part of creating fulfilling work environments. Fulfilling work environments are characterised by staff feeling that they have the abilities, motivation and opportunities to carry out their work, and that their talent is being used effectively and in ways that contribute to their personal values.

The good news is that on the whole, most research suggests that there is little difference between what attracts and retains younger and older workers. Despite this, public administrations should make every effort to analyse existing workforce data and employee surveys through age-disaggregation to spot any trends or risk issues. However, the overall diversity of the future public service workforce suggests that many different types of people will find job fulfilment in different ways, and therefore flexibility is key.

In the context of multigenerational workforces, talent management practices can help bring about more effective inclusion of older and younger workers – such as through the European Commission’s ‘reverse mentoring’ programme (see Box 3.7). With decades of experience to draw on, older workers are one of the public sector’s most valuable assets. Finding ways for them to share their knowledge and experience as they wind down long careers is essential from an organisational point of view. Most EU countries have diversity and inclusions strategies focused on gender and/or people with disabilities. As outlined in Box 3.6, the OECD’s work on next generation diversity and inclusion strategies can provide a roadmap for broadening these to include age and many other factors of a diverse workforce.



### Box 3.6. Next-generation diversity and inclusion strategies in OECD countries

OECD's work on the themes of diversity and inclusion (D&I) identifies the following necessary elements of next-generation D&I strategies, that build on a firm legal foundation that protects equality and anti-discrimination:

**Address employees' and employers' deeply engrained views and assumptions:** Developing an inclusive organisational culture means changing attitudes and behaviours at all levels of the organisation. This is particularly the case with older workers. This can be an extremely challenging undertaking as many unconscious (and conscious) biases can often work against well-intentioned D&I initiatives. Policy interventions based on findings from behavioural sciences have aimed to responsibly "nudge" inclusive views and behaviours in public sector organisations.

**Build inclusive leadership competencies across all levels of the organisation:** Senior officials and team leaders should display inclusive leadership skills aimed at making employees feel accepted, respected and enabled to contribute at their full potential. Ensuring leaders receive effective learning opportunities on inclusive competencies, integrating inclusive leadership skills in existing competency frameworks, and rewarding inclusive leaders through performance evaluations are still emerging policies in the public sector.

**Leverage data and evidence to inform and monitor D&I initiatives:** Countries have various resources at their disposal including administrative data, data from employee surveys, or specific analytical tools (i.e. "inclusion indices, diversity trackers, etc.") to support benchmarking or examine particular groups or processes in greater detail. Emerging data driven methodologies demonstrate potential to capture intersectionality and better inform policies. A general shortage of data science skills in the public administration, and legal constraints about the types of data that can be collected may hinder some countries more than others.

**Establish the adequate governance mechanisms for more effective and accountable D&I policies:** To be successful, D&I strategies must be supported by effective governance mechanisms that serve to promote coherence across agencies while respecting the individual inclusion needs of individual organisations. Governance mechanisms that balance a top-down with bottom-up approach help ensure accountability for results while also ensuring that the concerns of employees are continuously reflected in policies.

Source: Nolan-Flecha, N. (2019), "Next generation diversity and inclusion policies in the public service: Ensuring public services reflect the societies they serve", OECD Working Papers on Public Governance, No. 34, OECD Publishing, Paris, <https://doi.org/10.1787/51691451-en>.

One important tool to ensure workers find fulfilling work at each stage of their lifecycle and career development is to reinforce career planning and performance discussions. Having structured approaches to check in with employees, discuss their career ambitions and find the right kinds of work for them can be a powerful tool in ensuring person-job fit, recognising that career tracks may shift as people age. Public services are some of the largest employers and therefore offer a multitude of opportunities for public servants to change career tracks but remain within the organisation. Establishing tools like mid-career reviews, where employees between the age of 40 and 50 are encouraged to reflect on their ambitions and provided support to shift tracks if appropriate, can be an essential way to ensure fulfilment across all generations in a workforce.

### Box 3.7. Reverse Mentoring at the European Commission

The European Commission's Directorate-General for Education, Youth, Sport and Culture (DG EAC) has developed a reverse mentoring programme for junior staff (trainees) to mentor senior staff at Director-level. The purpose is to enable knowledge transfer between generations and facilitate exchange among different hierarchical levels. The initial idea was based on a pilot run by the European Commission's Directorate-General for Informatics (DG DIGIT) in 2015. This pilot adapted a key talent management practice used in the private sector, specifically in the IT field, where young employees exchanged with more experienced staff on digital technology and new tools.

DG EAC developed their pilot in 2016 but expanded the scope from the IT field to include broader topics, such as engaging with diverse audiences through social media. DG EAC announced a call among participants in the European Commission's traineeship programme – the 'Blue Book' traineeship programme. DG EAC coordinated a call for trainees from across the Commission to submit a CV and letter of motivation, and also approached Directors to seek expressions of interest in being paired with a young trainee. Directors were asked to specify topics where advice from trainees would be particularly useful to their work and mission. The volume of interest from trainees was such that pre-selected applicants were selected by lottery. Trainees and Directors were matched according to the interests they indicated, and to enable synergies across Directorates and sharing of information.

Trainees and Directors were encouraged to meet four to six times during the trainee's contract for at least an hour in order to facilitate meaningful exchange. DG EAC provided initial guidance to mentors and mentees to set common expectations. A core feature of the programme was the understanding that line managers of participating trainees were expected to support and facilitate their participation in mentoring – even if it clashed with non-urgent unit work. This indicates the priority attached to the programme by the Commission as a way to facilitate knowledge exchange and synergies among different parts of the Commission.

#### **Takeaways for governments**

- Older and younger workers have much to learn from each other: the information flow does not only have to be from older to younger. Younger staff with experience in new tools and approaches – even those gained outside a professional or academic setting – can contribute much to ageing workforces.
- Centralised support for running programmes like reverse mentoring play a big role in success, including through setting common expectations for participants.
- Trainees were particularly attracted by the opportunity to engage with senior leaders, indicating that programmes falling under the umbrella of talent management can also be used to improve employer attractiveness and compete with other organisations for in-demand skills.

Source: Based on material provided to the OECD by the European Commission

Health and wellbeing are also fundamental aspects of fulfilling work. As workers age, so do the chances that they will suffer from multiple chronic illnesses which make it more difficult for them to work. But younger employees also require healthy working environments to ensure that they are able to contribute to their full potential. Taking a holistic approach to health management should be considered as a necessary complement to talent management programmes. This should include providing opportunities for healthy diet in the workplace, sports activities, healthy work spaces (e.g. ergonomically designed offices) and access to quality medical care when needed. Mental health is also an essential area of focus, which is often challenging to manage as it's not always immediately evidence and managers are frequently

unprepared. Ensuring that all people managers have adequate training and awareness around all health issues is essential to ensure that they are able to provide a healthy work environment for talent of all ages. Only about 40% of responding countries reported special health measures targeted at older workers.

## Putting it all together: operationalising talent management in European public administrations

The development of talent management practices and more systematic application of key tools can help to establish a common language within (and across) public sector organisations. An integrated talent management strategy can inform public servants' development and career progression. It can also be viewed as a crucial part of an organisation's capacity for strategic workforce planning that draws on the principles of strategic foresight. Box 3.8 outlines the results of such an exercise in Slovenia, where the scenarios that were described in Box 1.2 were used to develop prototypes of potential innovations related to talent management in a multigenerational workforce.

The following steps outline a generic process for public administrations that wish to make more strategic use of talent management practices. Implementation of these steps is cyclical as the composition of the public service workforce changes over time, as do the strategic objectives and goals formulated by the organisations. Those goals can be affected by societal trends and developments which means that talent management strategies should also adapt to new challenges and trends. Moreover, the organisational context for talent management is fluid, and the actors responsible for talent management strategies themselves can possibly adopt different views as time progresses. The process described here should therefore be viewed as a continuous process for improvement rather than a singular moment of action.

### *Step 1. Identify and monitor talent challenges*

Information is key to make effective decisions and to design and implement successful talent management strategies. In this first step, public organisations inventory their internal demographics, assess their talent base and conduct risk profiling activities.

The main concerns to identify and monitor talent challenges are the following:

- The purpose of an assessment of the internal demographics of the organisation is to see if and to what extent organisations face challenges relating to specific age categories, such as the attraction of recent university graduates or the prospective impact of a wave of upcoming retirements. **Demographic data** for this assessment can generally provide rather reliable projections based on age and retirement trends.
- To assess the organisation's **talent base**, the skills of all of a select number of current and future employees can be mapped - as well as their motivations and needs.
- In addition to internal demographic data and skills mapping, the first step consists of a systematic assessment of **strategic positions** and civil service jobs. The identification of these strategic elements should take into account the future impact of trends such as digitalisation or complex policy problems.
- An ageing workforce creates particular challenges with regard to the management of knowledge and skills in organisations. Organisations should conduct focused risk profiling activities for **core knowledge functions** in the civil service.

It is of essence that both managers and HR personnel coordinate their efforts to generate these insights. The HR department should pay particular attention to its capacity to analyse and extract these valuable insights from the workforce on a regular basis. As more workforce data is collected through indicators, monitoring platforms and tools, HR professionals can identify and even predict where employee turnover

is/will be spiking, where retirements are due and why engagement, motivation and workforce productivity fluctuate.

It should be noted that there is little evidence that countries have the means to understand the composition of their workforce in terms of skills. Many countries lack aggregated data on the education levels or specialisation of their workers. There is also limited insight into the skills acquired through experience or learning programs. Some countries do deploy a “skills inventory” of their public workforce, but as discussed earlier, the use of such a government-wide talent database is rare among our survey respondents.

### *Step 2. Assess and prioritize talent policy gaps*

The second step to the successful implementation of talent management practices consists of a review of organisational policies on talents. This could also be guided by the concepts above of forward-looking, flexible and fulfilling talent management practices.

A review of policies and gaps consists of a number of actions that cover the variety of talent management strategies.

- Organisations can assess policy gaps by **reviewing existing talent management strategies** in view of the risks and challenges identified. The key positions and functions that may come under pressure due to retirement of a part of the workforce may already be part of selective recruitment, build or borrow strategies. A review of policy gaps also concerns the degree to which general personnel policies support competitive recruitment and retirement; or the degree to which training and development opportunities meet the needs of (older) workers in the organisation.
- To **prioritise between gaps**, the difficulties for finding, recruiting and retaining talents should be assessed. The supply of certain talent profiles can be low, while the competition for these talents is high. Prioritization of talent gaps can be based on the biggest observed gap between supply and demand for certain functions, or it can be driven by the strategic importance of talents to the organisation, or by the short-term cost-effectiveness of talent strategies.
- Organisations could also **review strategies for knowledge transfer**. Talent policy gaps may occur when particularly talented, skilled or experienced workers plan to retire or leave the organisation and there have been no special efforts to capture and transfer their knowledge.

The assessment and prioritization of talent gaps is a crucial second step to the implementation of talent management in public administrations. The cost and benefits of talent strategies, and the time to integrate new talents into the organisation are additional key criteria that drive decisions in this step. If the development of talent management strategies to recruit external talents is too costly or lengthy, other talent options should be considered.

### *Step 3. (Re)design talent management plans and (re)evaluate*

The third step to successful talent management is the design or adjustment of a comprehensive talent plan that incorporates the different talent management strategies and tools. A comprehensive plan for managing the talents in the workforce is essentially focused on the personal wellbeing of workers, and on their professional drivers, motivations and needs. Talent management matches these with the demands of the organisation. Job satisfaction and higher productivity go hand in hand.

- **Reflect upon the forward-looking, flexible and fulfilling talent management strategies** thereby taking into account the diverging goals of the organisation now and in the future, and tying these to the demands and needs of workers.
- To address the challenges presented by an ageing workforce, organisations should include a **focus on pre-retirement talent management**. This includes phased retirement or even post-retirement employment opportunities. Organisations can also make physical adjustments to the

workplace or revise existing personnel policies and (health) benefits to meet some of the particular demands of the group of older personnel. Similarly, end-of-career strategies can be implemented to ensure the effective transfer of knowledge in the workplace. After all, knowledge that is lost cannot be recovered.

- To avoid the loss of institutional memory and **ensure knowledge continuity** organisations can set up mentoring and coaching programs. Example include pairing experienced workers with younger talents, or asking for their input for the development of training programs.

The third step is action-oriented and future-oriented. Talent management plans should be tailored to the specific needs of the organisation in order to be successful. For this, the type and nature of the organisation itself should also be taken into account. This implies that talent management practices are not the sole responsibility of the HR department or unit. Core executives within the organisation as well as direct leadership and day-to-day management should pay particular attention to talent management in order to ensure an optimal integration between organisational needs and personal wellbeing.

### Box 3.8. Talent management and foresight planning

The processes of *identify and monitor*, *assess and prioritise*, and *design and evaluate* can all be informed and enhanced through anticipatory innovation approaches. The ability and willingness to test alternatives, innovate, and experiment is particularly relevant in a context of shifting and uncertain future context. By developing new alternatives, organisations have greater options at their disposal for responding to future changes as they emerge. Strategic foresight can inform and help to inform and inspire such innovation.

Innovations, whether based on past evidence or future scenarios, are never guaranteed to succeed in their objectives or produce only positive outcomes without any negative side-effects. Prototyping, experimentation, and trials can therefore be a wise approach to learn from success and failure at a smaller, safer scale before rolling out sweeping reforms.

Building on the scenarios outlined above, a prototyping process was carried out to envisage innovations to support a future-fit public sector that responds to the fast-changing world. These innovations are summarised below, and explored in greater detail in the accompanying report.

1. **Internal project marketplace:** an online project-based allocation of duties for staff to discover and bid to work on projects that motivate them
2. **Intergenerational dialogue:** problem-solving sessions with age-diverse groups targeting particular challenges faced by all
3. **Personal five-year plans:** engagement with staff to develop five-year career plans using strategic foresight and anticipatory innovation approaches
4. **Novel forms of manager training:** trial of new methods and content in communication training for line managers, such as virtual reality simulations

## Conclusions

This report has suggested that talent management is underexplored as a strategic tool in the public service – particularly in a context of ageing public sector workforces. Data collected in the course of this report illustrates that while talent management and age management practices do form a part of most European

public administrations, there is scope for the strategic integration of ad-hoc procedures and ways of managing public sector workforces. While some private sector organisations are likely more advanced in strategically managing their talent, the insights gained from private organisations may not be fully applicable in a public sector context, meaning that copy-paste solutions are unlikely to find long-term success. Requirements that take into account the public sector work context should be considered by any public organisation that aims to incorporate talent management into its personnel policies.

Developing a forward-looking vision for managing a multigenerational workforce in European Union public services appears as an urgent policy priority given the wealth of demographic data available: European workforces are getting older, and this has considerable policy implications for how institutional knowledge is to be passed on to younger cohorts. It also raises the question of how younger cohorts in turn are prepared to fill management and leadership positions. Moreover, demographic data point to the experience of older workers in the workplace: how best can workforce policies and practices be adapted in a more systematised way so that older workers are not marginalised? On the contrary, older workers have considerable expertise to bring to bear as part of multigenerational teams. Developing ways to access and apply this is a pillar of strong and resilient public sector workforces.

The practice of talent management emerges as a strong candidate to help public sector managers plan for a range of uncertain futures. As a discipline, talent management is less unified or functionally embedded across organisations to the same degree as Human Resource departments. Different countries understand different things by ‘talent management’ – for example, practices targeted at some groups of workers like high-potentials, but not all. By its nature, talent management is forward-looking: it hinges on planning for specific types of outcome and aligning people management tools and processes across organisations. Developing a long term vision for this and providing up-skilling opportunities for HR professionals and line managers may appear challenging, even daunting.

Nevertheless, greater use of talent management practices has significant scope to improve how public sector organisations across Europe build long-term capability. Developing people management strategies that take into account the distinct needs and preferences of various groups of employees is more likely to increase engagement: creating an attractive work culture in turn acts as a magnet to talented external candidates and generally helps retain and motivate existing staff. Talent management policies can also benefit multiple groups in the workplace. For example, flexible working hours for staff to encourage older workers to make a gradual rather than sudden shift to retirement can also attract younger candidates eager for a less rigid “nine-to-five” working structure. Finally, the use of talent management suggests that workplace experiences do not have to be static – with the right structure and support, a public sector career can involve multiple learning opportunities and ways to work in different roles across the public sector.

At a time when the public sector faces the need to identify future skills requirements and build attractive workplace cultures for all age groups, greater investment in talent management practices can help European public administrations build the workforces with the right skills and motivation to face a range of future challenges.

# References

- Birkelund, G. (2016), "Rational Laziness When Time Is Limited, Supply Abundant., and Decisions Have to Be Made", *Analyse und Kritik*, Vol. 38/1, <http://dx.doi.org/10.1515/auk-2016-0110>. [7]
- Bolander, P., A. Werr and K. Asplund (2017), "The practice of talent management: a framework and typology", *Personnel Review*, Vol. 46/8, pp. 1523-1551, <http://dx.doi.org/10.1108/PR-02-2016-0037>. [17]
- Buttiens, D. and A. Hondeghem (2012), "Talent management in the flemish public sector. Positioning the talent management approach of the Flemish government", *Pyramides*, Vol. 23, pp. 61-85, <http://journals.openedition.org/pyramides/885>. [14]
- Calo, T. (2008), "Talent Management in the Era of the Aging Workforce: The Critical Role of Knowledge Transfer", *Public Personnel Management*, Vol. 37/4, pp. 403-416, <https://doi.org/10.1177%2F009102600803700403>. [22]
- Centre for European Policy Studies (2018), *Policies for an ageing workforce: Work-life balance, working conditions and equal opportunities*, <https://www.eurofound.europa.eu/events/policies-for-an-ageing-workforce>. [10]
- Christensen, R., L. Paarlberg and J. Perry (2017), "Public service motivation research: Lessons for practice", *Public Administration Review*, Vol. 77/4, pp. 529-542, <https://psycnet.apa.org/doi/10.1111/puar.12796>. [19]
- de Waal, A. and J. Linthorst (2020), *Future-Proofing the High-Performance Organization*, <https://doi.org/10.3390/su12208507>. [2]
- Gallardo-Gallardo, E., N. Dries and T. González-Cruz (2013), "What is the meaning of 'talent' in the world of work?", *Human Resource Management REview*, Vol. 23, pp. 290-300, <http://dx.doi.org/10.1016/j.hrmr.2013.05.002>. [16]
- Gerson, D. (2020), *Leadership for a high-performing civil service: toward a senior civil service system*. [24]
- Jurkiewicz, C. and R. Brown (1998), "GenXers vs boomers vs Matures: Generational comparisons of public employee motivation", *Review of Public Personnel Administration*, <http://citeseerx.ist.psu.edu/viewdoc/download;jsessionid=36AD4EA0F67C35FEAC9E853D54AB7B4A?doi=10.1.1.887.2479&rep=rep1&type=pdf>. [5]
- Martin, L. (ed.) (2003), *Unraveling the Central State, but How? Types of Multi-Level Governance*, Routledge. [3]



- Ng, T. and D. Feldman (2012), "Evaluating Six Common Stereotypes About Older Workers with Meta-Analytical Data", *Personnel Psychology*, Vol. 65/4, <http://dx.doi.org/10.1111/peps.12003>. [8]
- OECD (2020), *Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer*, <https://doi.org/10.1787/59752153-en>. [29]
- OECD (2020), *Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/59752153-en>. [1]
- OECD (2019), *Pensions at a Glance 2019: OECD and G20 Indicators*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/b6d3dcfc-en>. [30]
- OECD (2017), *Skills for a High Performing Civil Service*, OECD Public Governance Reviews, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264280724-en>. [32]
- OECD (2012), *Slovenia: Towards a Strategic and Efficient State*, OECD Public Governance Reviews, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264173262-en>. [26]
- OECD (2011), *The Public Sector Salary System in Slovenia*, OECD Public Governance Reviews, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264167551-en>. [27]
- OECD (2011), *The Public Sector Salary System in Slovenia*, OECD Public Governance Reviews, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264167551-en>. [31]
- OECD (2011), *The Public Sector Salary System in Slovenia*, OECD Public Governance Reviews, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264167551-en>. [28]
- Rappaport, A., E. Bancroft and L. Okum (2003), "The aging workforce raises new talent management issues for employers", *Journal of Organisational Excellence*, Vol. 23/1, pp. 55-66, <http://dx.doi.org/10.1002/npr.10101>. [25]
- Rittel, H. and M. Webber (1973), "Dilemmas in a General Theory of Planning", *Policy Sciences*, Vol. 4, pp. 155-169, <https://doi.org/10.1007/BF01405730>. [4]
- Ritz, A. and C. Waldner (2011), "Competing for Future Leaders A Study of Attractiveness of Public Sector Organizations to Potential Job Applicants", *Review of Public Personnel Administration*, Vol. 31/3, pp. 291-316, <http://dx.doi.org/10.1177/0734371X11408703>. [18]
- Rouzet, D. et al. (2019), "Fiscal challenges and inclusive growth in ageing societies", *OECD Economic Policy Papers*, No. 27, OECD Publishing, Paris, <https://dx.doi.org/10.1787/c553d8d2-en>. [11]
- Rouzet, D. et al. (2019), "Fiscal challenges and inclusive growth in ageing societies", *OECD Economic Policy Papers*, No. 27, OECD Publishing, Paris, <https://dx.doi.org/10.1787/c553d8d2-en>. [21]
- Stevenson, M., C. Burns and H. Conlon (2018), "The Impact of an Aging Population in the Workplace", *Workplace Health & Safety*, Vol. 66/10, pp. 493-498, <https://doi.org/10.1177%2F2165079917752191>. [9]
- Thunnissen, M., P. Boselie and B. Fruytier (2013), "A review of talent management: 'infancy or adolescence?'", *The International Journal of Human Resource Management*, Vol. 24/9, <http://dx.doi.org/10.1080/09585192.2013.777543>. [12]



- Thunnissen, M. and D. Buttiens (2017), "Talent Management in Public Sector Organizations: A Study on the Impact of Contextual Factors on the TM Approach in Flemish and Dutch Public Sector Organizations", *Public Personnel Management*, Vol. 46/4, pp. 391-418, <https://doi.org/10.1177%2F0091026017721570>. [13]
- van Arensbergen, P. and M. Thunnissen (2015), "A multi-dimensional approach to talent An empirical analysis of the definition of talent in Dutch academia", *Personnel Review*, Vol. 44/2, pp. 182-199, <http://dx.doi.org/10.1108/PR-10-2013-0190>. [15]
- Walker, T. (2020), "Inclusive talent management in the public sector: theory and practice", *Transnational Corporations Review*, Vol. 12/2, pp. 140-148, <https://doi.org/10.1080/19186444.2020.1741296>. [23]
- Weske, U. et al. (2020), "Attracting future civil servants with public values? An experimental study on employer branding", *International Public Management Journal*, Vol. 23/5, pp. 677-695, <http://dx.doi.org/10.1080/10967494.2018.1541830>. [20]
- Yang, S. and M. Guy (2006), "GenXers versus Boomers: Work motivators and management implications", *Public Performance & Management Review*, Vol. 29/3, pp. 267-284, <http://dx.doi.org/10.2753/PMR1530-9576290302>. [6]

## Annex A. Talent management for Slovenia's multigenerational workforce

---

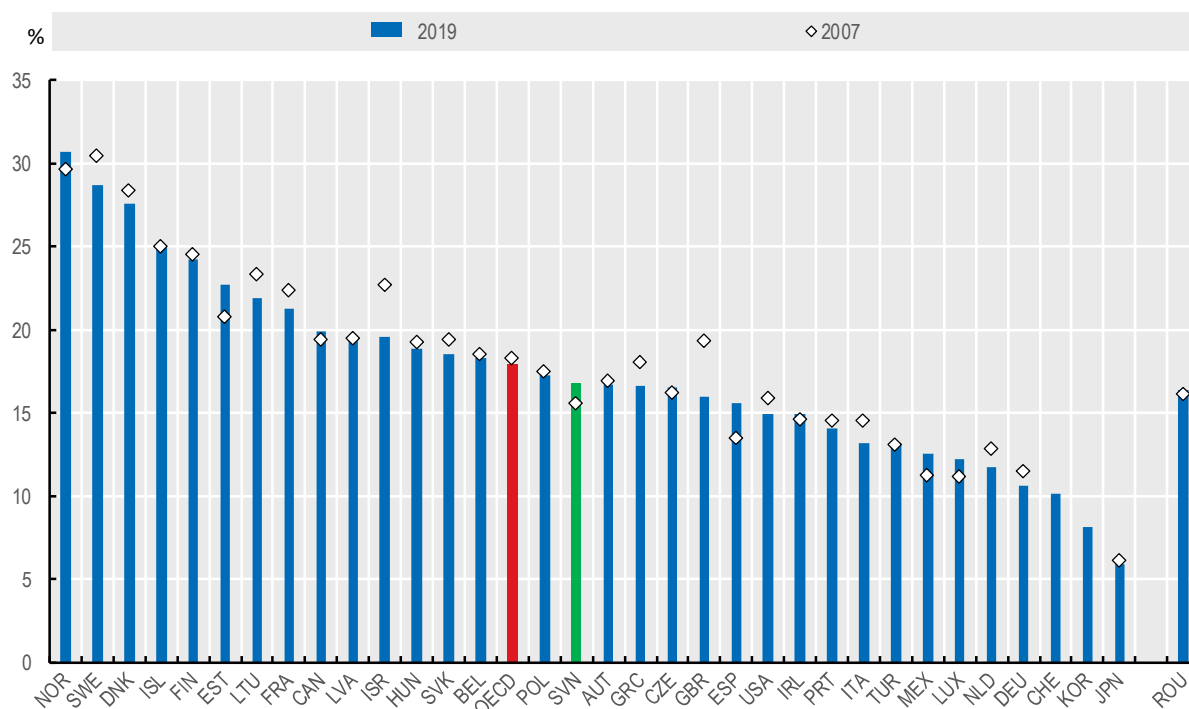
This Annex provides a snapshot of the Slovenian public administration's organisational structure for human resource management, particularly the capacity for talent management in the context of an ageing and multigenerational workforce. It discusses the key themes emerging from a series of focus groups conducted with stakeholders in Slovenia. It concludes with suggestions for the Slovenian administration on talent management in the context of an ageing and multigenerational workforce.

---

## Introduction

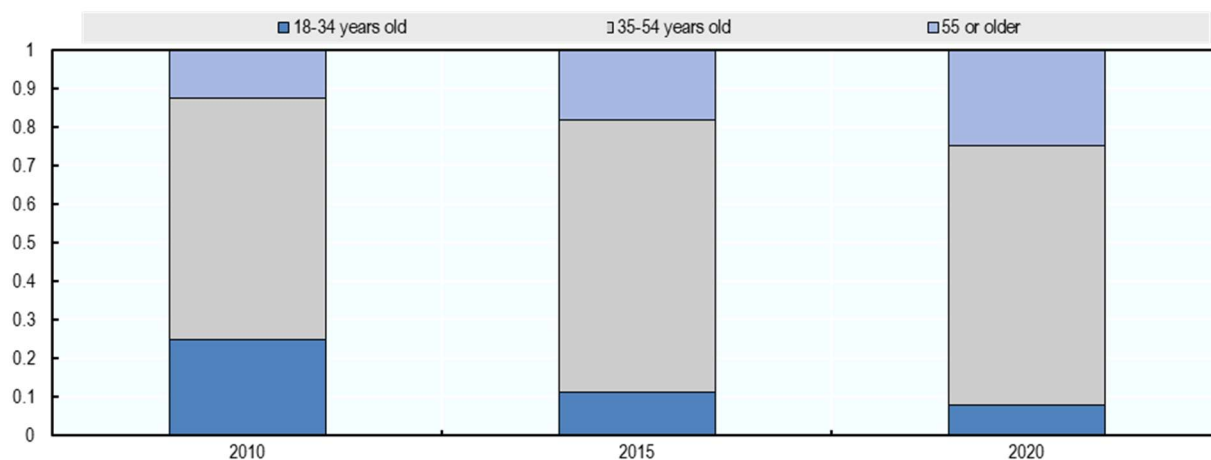
On December 31st 2019, the Slovenian state administration employed 13,373 staff (OECD, 2020). Employment in general government as a percentage of total employment stands at 16.74%, just under the OECD average of 17.91% (Figure A A.1). This percentage has grown from 2007 when it was at 15.56%. The evolution of the age composition of the Slovenian state administration is illustrated in Figure A A.2

**Figure A A.1. Employment in general government as a percentage of total employment, 2007 and 2019**



Note: OECD National Accounts Statistics (database). Data for Iceland, Japan, Korea, Mexico, Switzerland, Turkey and the United States are from the International Labour Organization (ILO), ILOSTAT (database), Public employment by sectors and sub-sectors of national accounts. Source: OECD (2021), *Government at a Glance 2021*, OECD Publishing, Paris, <https://doi.org/10.1787/1c258f55-en>.

**Figure A A.2. Evolution of the age composition of the central administration workforce in Slovenia**

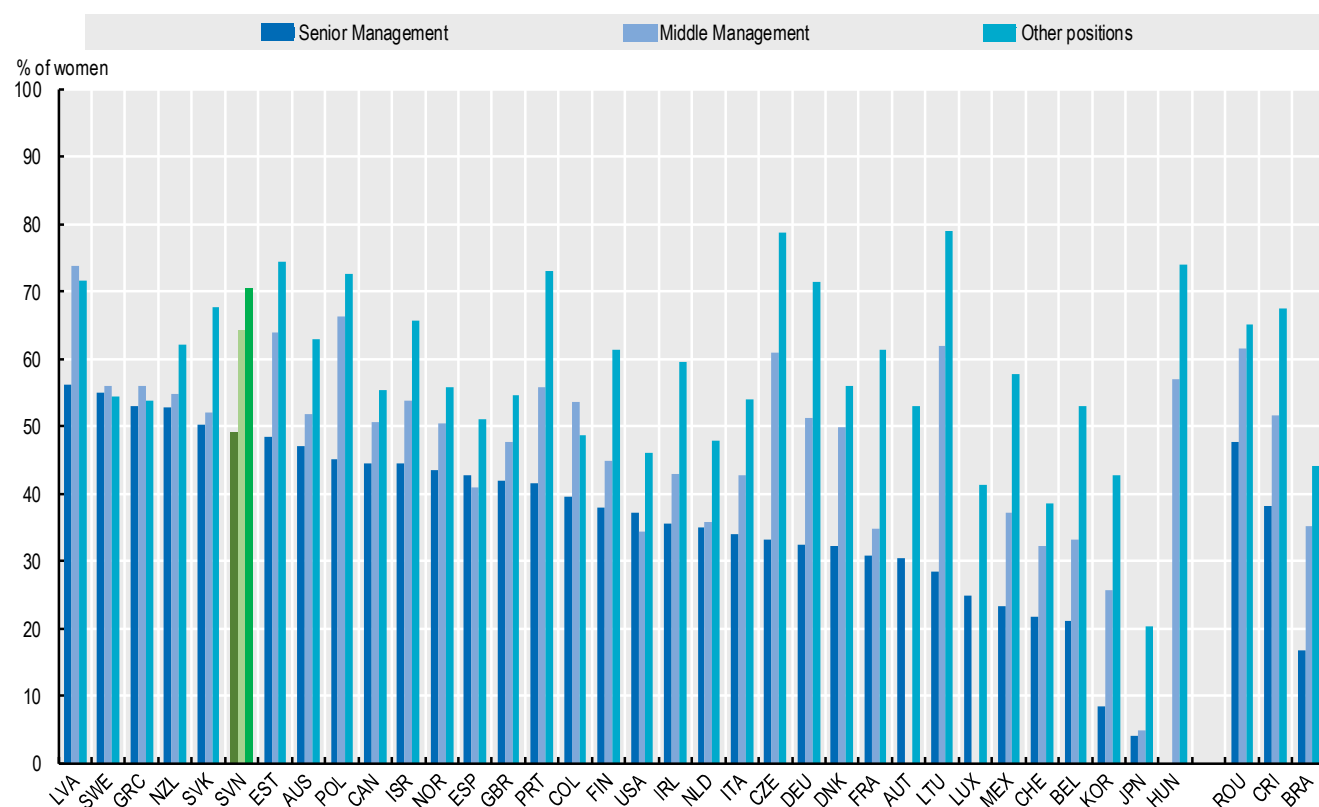


Source: 2020 OECD Composition of the workforce in central/federal governments survey

The Public Employees Act, adopted in 2002, governs employment in the Slovenian public administration. Civil servants in Slovenia are divided into 'officials' (who perform public duties) and 'ancillary public employees' (who perform ancillary work).

In the Slovenian state administration, Ministries are headed by a minister who is supported by a state secretary. Both are politically appointed. Administrative implementation is carried out by a non-political professional staff. There is one level of top management including the posts of Directors general, Directors of bodies within Ministries, and Secretaries general in ministries. Similarly, there is only one layer of middle management (OECD composition survey 2020). [Figure A A.3](#) shows strong gender balance across levels of hierarchy, with women making up 49% of senior management in the Slovenian public administration, and even more among the general workforce.

Figure A A.3. Gender equality by positions in central governments, 2020



Source: OECD (2020), Survey on the Composition of the Workforce in Central/Federal Governments.

The central authority for Human Resource Management in the Slovenian public sector is the Public Sector Directorate within the Ministry of Public Administration. The tasks of this Directorate include:

- Regulation, organisation and operation of the public sector
- Organisation and functioning of the state administration and public employee system
- Organisation of the public sector wage system, the systemic regulation of the general administrative procedure, administrative fees, and inspection.
- Organisation of professional examinations and training for public employees
- Administration of central personnel records and provides professional and administrative assistance to the appellate employment commission of the Government of the Republic of Slovenia, the Council of Officials and the Inspection Council.

In light of these responsibilities, the Ministry of Public Administration has a key role to play in the development of a more strategic and coordinated approach to age-inclusive talent management. Previous OECD work in Slovenia has emphasised the need to build effective and efficient government structures, strengthen strategic workforce planning (OECD, 2012<sup>[26]</sup>) and develop the capabilities of the future leadership talent pool., and to further reform the public sector salary system in order to strengthen forward-looking human resource management (OECD, 2011<sup>[27]</sup>). Developing an age-inclusive workforce and strengthening the use of talent management thus aligns with ongoing reform efforts.

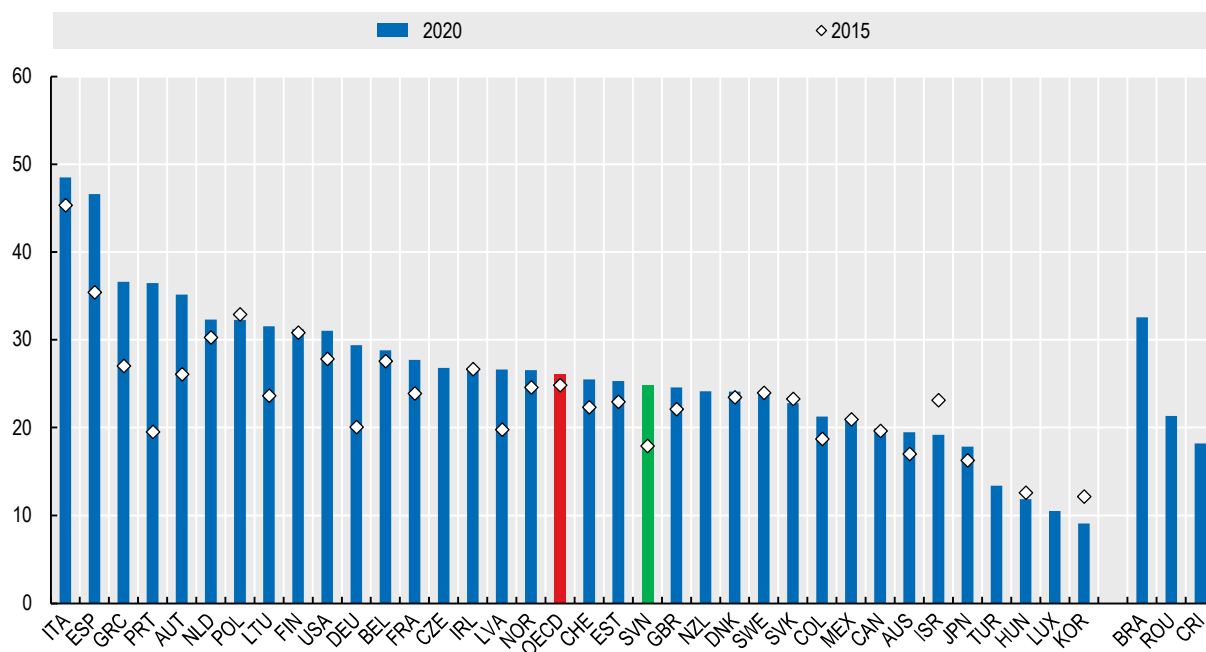
Slovenia faces the challenge of reviewing, streamlining and consolidating governance arrangements for key aspects of human resource management. The Ministry of Public Administration must provide a vision

as well as common standards, tools, frameworks and guidelines to state administration bodies and administrative units within the public sector. This is especially true in the field of talent management where there are multiple actors involved. Multigenerational workforces, moreover, are not confined to individual Ministries. As such, centralising some aspects of responsibility for talent management under the responsibility of the Ministry of Public Administration could help make the most of economies of scale for cross-cutting and workforce-wide challenges. Stemming from this, a crucial area of focus should be getting the communication right across various layers of governance and on ensuring the input of multiple stakeholders: if talent management is to play a role in effective and long-term workforce management, different groups – functionally and hierarchically – should have a chance to contribute to such a strategy.

### *Ageing in the Slovenian public administration*

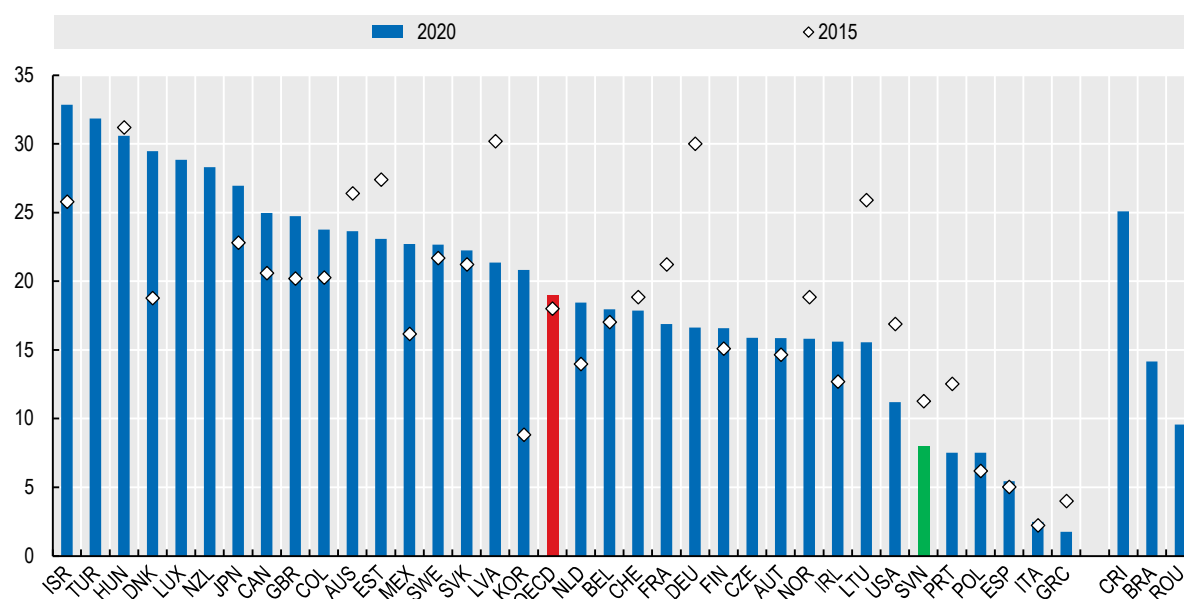
The 2020 European Commission Country-Specific Recommendation (CSR) for Slovenia notes that the Slovenian population is ageing faster than the population of most other EU Members. However, OECD data for the central government workforce across OECD countries indicate that the proportion of workers above 55 years old is 25%, just under the OECD average of 26% (Figure A A.4). Many other countries such as Italy, Spain, Greece and Portugal have higher shares of workers in these age categories than Slovenia. However, this share does appear to be on an upward trajectory, having grown from just 18% in 2015. Conversely, Figure A A.5 shows that young people below the age of 35 make up only 8% of central government employees – well below the OECD average of 19%. This number has been reduced significantly since 2015, when younger employees made up just over 11% central government employees. This shows that the large majority of employees in the Slovenian central administration are between 35 and 55, and if trends continue, will be ageing quickly in the years to come.

**Figure A A.4. Percentage of central government employees aged 55 years or older, 2020 and 2015**



Source: OECD (2020), Survey on the Composition of the Workforce in Central/Federal Governments.

Figure A A.5. Percentage of central government employees aged 18-34 years old, 2020 and 2015



Source: OECD (2020), Survey on the Composition of the Workforce in Central/Federal Governments.

With people staying healthy and professionally active for longer, the question for the Slovenian public administration is how best to develop human resource policies and practices to be able to meet the needs of multiple generations – not just older workers. This effort builds on existing initiatives, such as the 2018 ‘Active Ageing’ strategy published by the Slovenian government (OECD, 2011<sup>[28]</sup>). This strategy presents guidelines in four areas, and each Ministry is obliged to develop action plans and solutions to implement the guidelines:

- Employment
- Independent, healthy and safe living for all generations
- Participation in society
- Enabling an active life

## Talent Management in the Slovenian public administration

Talent Management can be understood as the proactive use of strategies to adjust workforce management to the needs of specific groups in order to fulfil organisational objectives. Talent Management relates to the systematic attraction, identification, development, retention and deployment of talents within a particular organization. In the Slovenian public administration, talent management practices exist on an ad-hoc basis. They usually occur at individual Ministry level and mostly do not form part of an over-arching workforce or talent development strategy. As such, there is considerable scope for the more systematic adoption of Talent Management practices in Slovenia.

In order to understand how talent management works and is perceived within the Slovenian public administration, the OECD carried out a series of eight focus groups with a variety of stakeholders from Slovenia in January and February 2021. While being as representative as possible of different age groups, functional areas and professional backgrounds, the themes emerging from the focus groups should be seen as indications of tendencies and patterns rather than as empirical statements. The focus groups asked participants to first write their thoughts on a series of questions, which asked about their perspective

of an ideal talent management system, and the strengths and limitations of Slovenia's current approach to talent management. The OECD then moderated a discussion to identify the key themes and better understand the context of comments.

Participants' views of an ideal talent management system tended to focus on two aspects: first, the perception of talent management as applied to older workers; and second, perceptions of talent management practices applied to the whole public sector workforce.

### ***Ideal Talent Management for older workers***

Regarding ageing, a clear theme was ensuring the **emotional engagement** of older workers in the workplace as they approach retirement. Organisations have a need to ensure effective knowledge transmission between generations, and talent management practices were seen as a potentially useful tool to be able to achieve that. However, participants emphasised that the current system for retirement in the public sector involves an abrupt transition from a full-time working life to full-time retirement. Greater use of talent management practices was seen as a potentially useful way to improve the emotional engagement of older workers, particularly as they move toward retirement. Ways to help older staff gradually wind down through activities such as structured ways to promote knowledge-sharing, flexible working hours, and learning and development to adjust to new workplace practices (such as the increased use of digital tools) were also discussed in this regard.

This discussion also raised the question of **ageism** in the workplace, particularly the stereotypes that may be attached to older workers. As a recent OECD report notes, many human resource policies in the workplace tend to be linked to the **age** of workers rather than to their actual work capacity or individual needs (OECD, 2020<sup>[29]</sup>). According to the focus group participants, ideal talent management systems for older workers would take the needs of older workers into account while avoiding the reinforcement of negative stereotypes. Participants in the focus groups suggested creating more systematic ways for older workers to access flexible working conditions that best suit their needs, such as ergonomic working conditions, health check-ups and a structured way to plan for retirement. Talent management practices can indeed help provide for these. However, as a principle it is important to emphasise that the ultimate goal of talent management systems should be to provide for these in an age-inclusive manner (potentially available to all staff) rather than age-exclusive (only available to older staff):

It [is] necessary to define policies in an age-inclusive way, so that people at different stages of their life (whatever their age) can contribute their full potential at the workplace for maximum business success (OECD, 2020<sup>[29]</sup>).

### ***Ideal Talent Management in general***

A clear theme that emerged from all focus groups was the need for a **supportive organisational environment** in order for talent management practices to flourish. Participants across all groups emphasised that individual initiatives by managers and organisations to develop and use talent more effectively tended to be the exception rather than the rule. The overall perception was of a public administration system, which prioritised adherence to long-established procedures over efforts to experiment with new models of recruiting and developing staff. Building on this, many participants noted the importance of **managers and leaders** as the key building blocks in implementing talent management practices. This points to the need for targeted capacity-building for managers to raise awareness of their role in various aspects of talent management.



Many participants saw **pay flexibility** as an important part of an ideal talent management programme. Participants expressed frustration that the pay system in the Slovenian public administration did not enable the attraction and retention of people with specific skill sets. More specifically, low salaries were seen as a barrier to creativity, innovation and mobility. Given the relatively narrow space for performance-based pay in the Slovenian public administration, many staff saw little incentive to 'go the extra mile'. Participants also linked the question of pay to the overall attractiveness of the public sector: an ideal talent management system would include more scope for pay flexibility (under certain conditions), but would also create and strengthen the range of non-pay related incentives, such as learning and development opportunities).

**Definition of 'talent'** was a recurring theme: participants in the focus groups noted that the principle of ensuring equal treatment across the public service made it hard for managers to design appropriate career development perspectives for specific high-potential staff or groups of staff. In the context of a multigenerational workforce, it was seen as particularly important to avoid linking the definition of 'talent' only to younger staff. Participants noted that an ideal talent management system would contain elements relevant to all age groups, not just young candidates with specialised skill sets.

More relevant and systematic **learning and development opportunities** were seen as a key part of talent management. While participants from the public administration repeatedly emphasised the strong training offer, it was also noted that there was scope to develop greater linkages between organisational strategy, Human Resource strategy, performance management and learning and development. Learning and development programmes were seen as highly relevant in attracting staff and improving mobility.

### ***Strengths of the Slovenian public administration's approach to talent management***

When looking at both the results of the survey and of the focus groups, it appears that the Slovenian Public Administration uses many talent management tools, however most are used within individual agencies and are not generalised across the public service. Therefore, the picture that emerges is one where many tools exist in bits and pieces and could possibly benefit from being joined up in more strategic and systematic ways.

Many participants appreciated the **training** on offer through the Administration Academy. As noted above, learning and development opportunities were among the most frequently mentioned examples of good talent management practices, suggesting that Slovenia does indeed have some of the foundations of talent management already in place. This included some new offers on coaching for middle management, which can be particularly useful in the context of a multi-generation workplace. A number of participants also referred to specific mentorship programmes that exist in various agencies and ministries. These could be particularly useful in the context of a multigenerational workforce.

The **stability and mobility of employment** was seen as a strength of the Slovenian administration, with many participants emphasising that stability is a particular advantage in attracting talent. Again, this stability of employment is a positive feature for further developing talent management practices. Mobility programmes were also mentioned – and this is a common advantage of public employers who can offer a diverse and exciting range of career paths to employees, within a framework of overall job security. However it appears that mobility programmes are not used to their full potential.

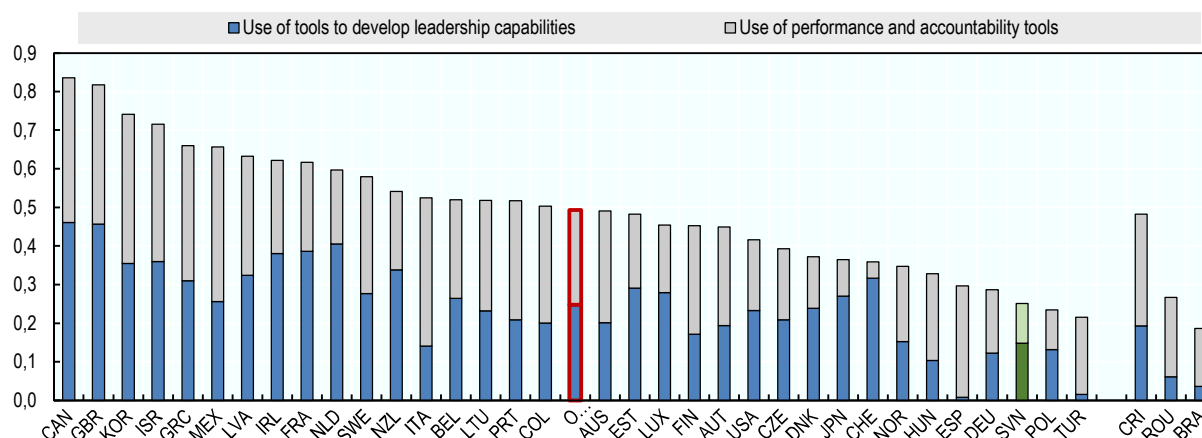
Finally, some participants pointed to the opportunity to build on the recent experience of **remote working** in the Slovenian administration. In some cases, this large-scale shift to remote working has forced a change in management culture, to be less focused on employee presence and more focused on the quality of results. This kind of change can also improve employee attractiveness if the administration can find the right use of flexible working practices in a new post-COVID equilibrium.

### Barriers to talent management system

The dominant theme emerging from comments and discussion of this question was the **perceived rigidity** of organisational structures and management in the Slovenian public administration. From an organisational perspective, the pay system came up often in this discussion, with many voicing frustration over their inability to use pay to reward effort or to match market rates to hire needed skill sets. Some also pointed to rigidity in the employment rules and contract types. These institutional rigidities, when mixed with the political nature of the public service, can result in a lack of long-term thinking.

A related theme was that Managers lack the tools and competencies to implement good talent management practices. Staff from within the public administration pointed to a rules-based culture seen to prioritise conformity over innovation, as well as a distinct aversion to experimenting with new ways of working. One participant called for more leaders, less bosses. Many of the participants spoke of managers who do not give space to employees to work in meaningful ways, or to do challenging and interesting work. This leads to problems retaining good talent. A new OECD pilot index on the management of the senior level public service shows that Slovenia could use many more tools in this area to improve both the skill sets of managers and ensure they have an operating environment that supports them to develop a positive work environment for their staff that support talent management.

Figure A A.6. Managing the senior level public service, 2020



Note: Data for Chile, Iceland and the Slovak Republic are not available. Data for the Slovak Republic are not available as the senior level public service is not a formalised group.

Source: OECD (2020), Public Service Leadership and Capability Survey.

### Towards future-fit talent management in Slovenia's public service

The main chapters of this report have presented the concept of talent management and discussed instances of its application in the public sector in European central administrations. Talent management can be seen as a particularly useful practice to be able to maximise the benefits associated with multigenerational workforces while mitigating the potential downsides of older cohorts of workers soon to retire.

Talent management is also inherently future-oriented and therefore lends itself well to strategic foresight. The following four scenarios that were developed by the OECD's Observatory for Public Sector Innovation (OPSI), which conducted a strategic foresight exercise with Slovenia's Ministry of Public Administration in order to get a better sense of what future-fit talent management may look like in Slovenia's public service:

- Higher Flyers

- Closer Cultivators
- Freer Thinkers
- Better Neighbours

These scenarios were then used to develop four innovation prototypes, described further in boxes below.

## Scenario 1: *Higher Flyers*

### *Main ideas*

Globalisation rebounds, digitalisation speeds everything up, talent becomes increasingly mobile, societies embrace diversity, and unprecedented wealth and opportunities open up for many people globally—but not all.

However the benefits of these changed circumstances are unevenly distributed and accrue primarily to educated elites who take advantage of increased mobility to study and work outside their country of birth. As they increasingly detach their lives from their home roots, they face loneliness and social exclusion abroad.

Public services are also outsourcing many of their tasks such as processing benefits applications or monitoring performance to other labour markets with better or cheaper talent.

Multinational philanthropy giants bring many advantages in global exchange of data and effective practices, as well as inclusivity. However, the speed and interconnectedness of transactions also leave the door open for a new generation of grassroots cyber hacktivism to produce highly disruptive effects throughout finance and society at large.

### *Contextual changes*

In this world, technology advances, improvement in health conditions, demographic change and fiscal pressures contribute to a substantial increase of duration of employment terms to align with the increase life expectancy, and it is not unusual that **retirement no longer exists**. Greater flexibility for employees to decide when and where they can work leads to **greater gender equality** and closing gender pay gaps.

Slovenians elites abroad do not self-isolate but are able to increase their contact and collaboration with their home country, which results in a constant and regular flow of expertise and knowledge from outside the country to **Slovenia**. But inequalities rise within countries between talented elites and those without international experience, leading to **increased political polarisation** and mistrust.

Technology becomes easier to use, and **there is no appreciable skill gap between generations**. Digitalisation and international exchange mean that **the world is more interconnected** than ever. Interdependence and accumulation of valuable digital assets create a situation where **cyber-attacks are more common and more destructive**. Free exchange of ideas and global value chains allow for greater diffusion of frontier technologies, and **breakthrough innovations come to market worldwide every few months**.

International and fast-paced lifestyles offer great opportunities for elites to develop their careers and grow their income, but **government-based national social security systems cannot cope with the complexity**. Consequently lots of people are unable to count on any government to provide the security they need. Despite **unprecedented prosperity and wealth creation**, the world experiences **great economic turbulence** due to fast-paced, ad-hoc, and uneven development, as well as frequent cyber attacks.

*"People will have longer working lives and expect better support."*

New technological solutions including greener energy, carbon capture and storage, and genetic modification allow a **dramatic decline in environmental degradation**, but it is still a race against time because periods of increased economic activity risk offsetting any decrease in carbon intensity. **Birth rates decline**, further reducing the environmental footprint.

**Governments are weaker but more efficient**, and they cannot be all things to all people. **Inequalities between countries as a whole continue to fall**. State-market boundaries become increasingly blurred, and international standards are developed with increasing input from the private sector. Public goods such as schooling are increasingly provided by **multinational philanthropy giants** which take over from publicly funded entities.

### ***Personal story: Alenka***

Alenka lives in San Francisco and is director of the Slovenian subsidiary of a large multinational philanthropy organisation. At times, she feels very alone in the vast metropolis of San Francisco. Given that many of its highly mobile residents live a transient lifestyle, she has trouble balancing an active work life with building meaningful connections and friendships with individuals. Moreover, cultural differences have made it difficult for her to understand the way in which local people network and conduct business.

Despite cultural barriers, Alenka has been able to call upon her international network of friends from her time at the London School of Economics. This allowed her to leverage private-sector interests and launch an ad campaign to convince Slovenians to donate to the ongoing effort to improve health coverage for people with lower incomes. The proceeds of her efforts are going towards building vaccine distribution networks.

### ***Implications for public sector talent***

In this scenario, ageing can have advantages because of diverse backgrounds and thinking of different age groups. People seek to achieve well-being throughout their careers—they do not wait for retirement, as their work lives are combined with parenting and later with grandparenting too. Ageing can have disadvantages for those sector of societies that do not benefit from increased mobility (and work opportunities offered). These people find it harder to change locations and careers, especially those seeking greater levels of stability in later life, or whose health needs make frequent travel problematic.

Global competition for talent becomes increasingly fierce and global, as the supply of highly educated and skilled individuals barely keeps pace with the level of demand. Great effort and expense goes into attracting, retaining, and growing talent with international experience.

*"We may see migration of citizens to countries that they consider the most 'brain-friendly' or which have the most democratic structures."*

High-skilled elites are very demanding in terms of the working conditions employers must provide. They take responsibility for their own careers, and rarely follow the trajectories set out for them by proactive employers. Less empowered individuals are dependent on opportunities and training offered to them to prevent them falling further behind. There is strong demand for telework and other flexible arrangements.

*"We will need to take into account a high degree of individualism."*

Philanthropic foundations attract many talented individuals because they succeed in communicating a strong sense of purpose and mission that individuals aspire to. As a result, governments often have no choice but to play a subordinate role in certain policy areas they used to guarantee.

Sometimes the only way for the public sector to benefit from private-sector and non-profit talent and expertise is to outsource tasks to them. However non-governmental organisations are not always as

reliable and their activities are not always sustained over time, so governments have to develop capacity to pick up where philanthropists left off.

## Scenario 2: Closer Cultivators

### Main ideas

Waves of pandemics and other natural hazards magnify the vulnerabilities of living in densely populated cities. Better infrastructure, and distributed production technologies (including precision farming) make rural life much more appealing.

A new production revolution brings economies of scale back closer to home, and automation gives people more time to focus on their well-being.

A slower, more local life isn't for everyone though and there are freeloaders and free spirits who don't do well in smaller communities where people talk.

The public sector, now fully adapted to remote work, becomes an employer of choice for those well suited to this new lifestyle.

### Contextual changes

The coronavirus pandemic boosted people's awareness about how they wanted to live their lives, and **well-being is understood as more than just material wealth**. There is **greater equality** as property prices even out between urban and rural areas. **People are satisfied having enough, instead of always wanting more**. Some local communities do better than others due to **varying levels of trust** and collaboration. Fake news exists but don't spread so far because every community has its own news and people work together to get to the truth.

But this scenario is not a return to the past. Technology has enabled and is enabled by the transformations that have taken place. Some of the biggest advances are in **precision farming and small-scale production** methods such as 3D printing. A revolution in open-source non-personal data such as soil quality, water management, and production capacity has made it much easier to adapt so **local economies meet local needs**.

*"There is a revitalisation of the small economy—micro-shops and micro-entrepreneurs—because people need it in more rural areas."*

Numerous environmental improvements have come from a **reduction in transport** and an increase in productive efficiency, but also from reduced reliance on material goods. An increasingly emotional connection between people and planet favours **greater acceptance of legal means to protect the environment**. Small-scale production and communities mean **local economies are revitalised**, with artisans, micro-shops, and micro-entrepreneurs all benefiting while still constantly growing and improving thanks to online information exchange.

**Government is highly localised**, and policies are often adapted and tailored to different local settings. **Hierarchy is flattened**, and networked governance actors such as local agencies favour mutual learning over command-and-control steering. This creates **great complexity for policy makers**, as organisations responsible for implementing a policy are not necessarily accountable to the institution that created it. Services are personalised and delivered through physical encounters enhancing a **human connection** between providers and recipients. Human service interaction is seen as a source and prerequisite for **much greater trust in government**. Self-organising local **community groups** also create a great deal of public value. The distinction between public and private actors becomes less clear.

### **Personal story: Darja**

Darja is a part-time agricultural data analyst and full-time grandmother. In her work, she monitors not just crop growth and yield but also genetic variation of microorganisms in the soil and the impacts of production on biodiversity. Her findings directly inform choices around what to grow, when, and how. Darja has been doing this job for most of her adult life, but it never got boring because it involves so many different aspects of agriculture, from soil microbiology to the computer code she wrote for the drones that harvest the crops. As a result, she has knowledge in a very broad range of fields.

Due to her remote location and declining birth rates, Darja's 8-year-old grandson has few children his own age to spend time with. She gets help from friends, including the local mayor, who just turned 80 and often comes over with her own grandkids. Like the parents, the two women find themselves multitasking most of the day. The children do attend a local school, but it is generally accepted that what they learn outside the classroom is just as important. Darja is a board member of the association that helps negotiate the curriculum for her grandson's school.

### **Implications for public sector talent**

In this scenario, ageing can have advantages because of local knowledge of experienced citizens. Ageing can have disadvantages when shrinking populations and long retirements leave gaps in organisations and service provision. Local and personal services means less telework and less scope for flexible hours. Talent is less geographically and occupationally mobile.

*"There will be growing importance of personalisation in attracting talent."*

Increased demand for the 'human touch' means that there is a great deal of work on offer for people who wish to work for the public sector, but the skills demanded are high because it is necessary to navigate the complexity of digital tools and their interaction with humans in every domain. Local cultural knowledge and interpersonal skills are also extremely valuable.

There is greater equality and more jobs overall due to the replication of many roles in different local contexts. Greater redundancy means the system is more resistant to shocks but also slower to adopt positive change. Workers with expertise feel entitled to exercise discretion in most decisions, and quality assurance comes less from hierarchical accountability and more from peer pressure and public demand.

*"It might be a challenge to integrate a future vision for results and outcomes in a public sector with very different, localised approaches."*

Working for the government is seen as a way to support the shift to a well-being society. Local non-governmental organisations also recruit many talented individuals who want to do good. Moral, economic, and legal pressures combine to check and balance the powers of market actors. People move freely between government and non-government jobs.

## **Scenario 3: Freer Thinkers**

### **Main ideas**

Rising populism and fake news become too much for people to handle and human decisions are no longer trusted. Digital algorithms take an increasingly large role in people's lives—making even more important decisions with or without us realising.

People decide that whoever is creating algorithms must be better held to account, and systems are set up to better govern the production, deployment, and outcomes of AI decision-making.

This defuses polarisation and regains people's confidence by depoliticising certain issues such as how state benefits are allocated. But tough choices need to be made about some of the unprecedented ethical questions raised—and only humans can make those decisions.

### *Contextual changes*

A crisis of trust between **polarised political groups** cannot be resolved by people, and machines turn out to be the only source of legitimacy. As a result, **people trust algorithms more than they trust each other**, even though they do not inherently guarantee fairer or more desirable outcomes. Computers do not necessarily become more transparent, but they do become smarter, enabling **personalised public services** in healthcare, education, and most major life events to become the norm.

*“The fast growth of digitalisation will bring higher transparency, so the challenge is how to achieve open and empathetic communication between public employees and relevant stakeholders”*

As computers tend to get most things right most of the time, **more and more important decisions are entrusted to AI**. This also applies to economic and even some political decisions. Many issues such as fiscal policy, education, and healthcare are depoliticised as machine learning proves better able to manage the economy than humans. Growth, employment, inflation, and current accounts are balanced and held at **sustainable levels over the long term**, ending the boom-and-bust cycles associated with human governments and electoral politics.

The system becomes increasingly opaque and difficult to overhaul, meaning that **environmental issues are often ignored**. When action is taken, it is generally in the form of **technocratic responses to systemic challenges**. Issues of value judgement such as gene editing, cognition-enhancing ‘smart’ drugs, and become even more contentious. But change becomes increasingly difficult due to lock-in effects and path dependency. The most progress is made in less politicised areas. Most people do not realise the extent to which **auditors have gained great influence** over their lives.

### *Personal story: Žiga*

Žiga is chief ethical officer in the Slovenian Ministry of Public Administration. He is one of the most important figures in the ministry and oversees one of its largest teams: five people. He is the longest-serving member within his team, as the others rotate in and out every few months according to the programme of work. This is made possible thanks to the ministry's talent management AI that automatically matches potential candidates with available positions.

Žiga has worked hard to obtain his role and loves his job but he is often unhappy about the impossibility of establishing stable professional relationships with his colleagues. This is exacerbated by the fact that, like most other employees, he works fully remotely and rarely goes to a physical location for professional reasons. However, the situation has meant that Žiga and his partner, who also works remotely, spend much more time together at home.

### *Implications for public sector talent*

In this scenario, ageing can have advantages because diverse age groups bring perspectives to ethical debates such as those mentioned above. Ageing can have disadvantages when issues of intergenerational justice such as investing in tackling climate change fall in the gaps of political and automated decision-making. Technological literacy greatly determines people's ability to understand and make the most of the system to support their well-being.

Getting algorithms right is crucial, and failure to check and understand what is going on underneath the surface can lead to disastrous outcomes—or suboptimal ones that go unnoticed for a very long time. The



public sector may wish to adopt new, more efficient ways of working quickly in order to avoid being “left behind”, but it takes time to properly assess the implementation and impacts of new algorithms. Countries who try to roll systems out on the national level without sufficient prior testing often pay a high price in unintended consequences—system failures, loss of data, and privacy breaches being some of the issues encountered.

*“AI forecasting might create a system which predetermines lives from an early age. More data could be a trap, reducing opportunities for mid-career changes”*

Teleworking and flexible arrangements are easier than ever as AI can bridge many gaps while humans are eating, sleeping, caring for families, or socialising. Management duties are increasingly taken on by machines, which have started to take the initiative to research and consult to support their own learning. As a result, expertise in particular policy domains (such as epidemiology, pedagogy, or engineering) is highly prized. Ethicists and ethics teams are in much greater demand to evaluate the development of new processes.

*“There is a risk that decisions affecting people’s lives will no longer come with accountability or discretion”*

Traditional public sector jobs are mostly automated, but there is a great deal of public-sector project work. These gigs are attractive because they are impactful, and make a difference in real issues. But the reality is often that the inertia of the system makes for a frustrating experience for many dynamic talents. Job security is low but efficiency and pay are high: it takes money to attract the right person for a project, but once they finish the work they are let go.

## Scenario 4: Better Neighbours

### Main ideas

Slovenia matures as a nation and faces a reckoning with past disputes. Society can only heal through greater openness. Companies can’t make profit, people can’t earn livelihoods, governments can’t get consent without new ways of securing public trust.

Public frustration is gradually appeased as parliaments in Ljubljana and Brussels legislate for universal basic income; better transparency and freedom of information measures; more groups are represented in the political process; and inequalities are rebalanced—though not without some economic turbulence.

As other Balkan countries join the EU, connections become closer and talent flows more freely. People generally support greater cross-border cooperation, but cultural misunderstandings do arise—especially as further waves of immigration from the Middle East have made the Balkans more ethnically rich than ever.

### Contextual changes

People from different generations become closer and spend more time together, while **new social compromises are made** between different social groups who realise they all have something to contribute and a lot to lose in this brave new world. A **new social contract** is developed as forms of collective bargaining transform to reflect the values and ideals of younger generations who want to protect their future while also caring for seniors.

Social media becomes a powerful force for strengthening the voices of the marginalised and exploited, but **people lacking digital skills continue to fall behind**. Economic solidarity is promoted through radical new experiments. **Universal basic income** is not entirely straightforward to implement but is overall successful, with social benefits that outweigh economic costs.



Business is forced to act ethically by **society's growing conscience**. Better environmental protections are negotiated between various social partners, though they may not go far enough. New environmental treaties and protocols are generally agreed just in time and there is always a sense that negotiations could fall through and the resulting agreements are fragile.

*"It could become harder to make Slovenia heard as a small country"*

Regional cooperation and competition is at the top of everyone's minds. **Highly educated new arrivals** to countries in southern and eastern Europe are generally able to successfully settle, integrate, and contribute positively to economies and societies. Their social capital and political know-how help them to exert influence on governments' geopolitical alignment.

### **Personal story: Hassan**

Hassan is a doctor. The son of parents from Lebanon, he grew up and did his studies in Belgrade, and has just moved to Ljubljana to work in the city's new public hospital. Thanks to his language skills and to the EU employment harmonisation rules in the healthcare sector, Hassan has been able to move in different Balkan countries to follow his partner's professional needs. After working in Serbia for four years and in Croatia for the last five, he is now in Slovenia where he plans to stay for the next couple of years.

Hassan works in the hospital most of his time but does a lot of his research work remotely, in collaboration with colleagues from around Europe. He has unlimited leave days, and receives bonuses and subsidies for using his free time to participate in outreach activities for local people with mental health difficulties. His employer makes it very easy for him to visit his parents in Belgrade regularly. The journey is set to become dramatically quicker thanks to the planned trans-European high-speed train that will connect the two cities in just over two hours.

### **Implications for public sector talent**

In this scenario, ageing can have advantages because reconciling with the past requires knowledge and truth from experience. Ageing can have disadvantages when charting a way forward means letting go of established ways of doing things; older workers may feel alienated unless there is effective change management in place.

*"Intergenerational justice is a strong debate, with demands for representation and provision of services, particularly for younger populations"*

There is more work to do and more complexity because the government has to mediate between organised employers and organised employees more often than ever. Talent and skills in systems thinking, negotiation, and process design are needed more than ever. Working in the public sector is well paid, but seen as extremely hard work. Talent from elsewhere in the region is an important source of knowledge exchange, especially countries with similar languages.

*"Agreements take longer to reach, even though people are better off for it"*

Workplaces increasingly take on "hybrid" characteristics as people work as much with contacts in other countries as they do with colleagues in the next room. Managing diversity and intercultural encounters is seen as a significant investment but it generally pays off for organisations that commit to it.

### **A new approach to talent management in Slovenia**

This section will consider how Slovenia could work towards a talent management approach that is forward-looking, flexible and fulfilling, as outlined in Chapter 3 of this report. Chapter 1 concluded with the introduction of the OECD model for the future of work in the public service (see Box 1.6) which

emphasised the need to be forward-looking, flexible and fulfilling. Chapter 3 adapts this model to guide the development of strategies to manage older and multigenerational workforces through more systematic use of talent management practices:

- **Forward looking:** In a fast-changing employment environment, with scarce skills and resources on one side and unpredictable changes on the other, robust strategic workforce planning based on foresight and resilience becomes a cornerstone of public employment policies. In a multigenerational workforce, this suggests the need for public employers to be forward looking in terms of preparing for the retirement of older workers, succession planning, and renewal – identifying the kind of talent needed to replace retiring workers.
- **Flexible:** Most civil service systems were established to emphasise stability and predictability, but agile responses to the coronavirus crisis have proven that flexible people management is possible in the face of complex, fast-moving public sector crises. In a multigenerational workforce, this now presents a new opportunity to implement greater flexibility into standard operating procedures to enable the public sector to adapt its employment conditions to the individual preferences of different employees. This may include enabling remote working and flexible working hours to adapt to the needs of different employees at different life stages. It also requires staffing systems that can recruit and allocate existing talent to needed areas – regardless of age. It also suggests the need to develop all-ages learning and development systems to ensure that skills remain relevant at all phases of the working life cycle.
- **Fulfilling:** Public services will be required to be ever more competitive to attract and retain scarce talent, in a tight labour market with ongoing fiscal pressures. This suggests the need to focus on providing fulfilling employment to an increasingly diverse labour market. In a multigenerational workforce, this requires a focus on engagement and performance, leadership and work design to ensure the public servants have roles they feel contribute to public value – particularly as they approach retirement. It also means supporting employee health and wellbeing, to ensure that employees can contribute their talent to the best of their potential.

Applying these to the Slovenian system in detailed ways would require a depth of analysis that is beyond the scope of this report, however the following observations and suggestions can help to set a general direction change and reform.

### ***Forward-looking talent management: planning for retirement and renewal***

A forward-looking public service foresees the demographic changes expected in its workforce and aligns workforce management to ensure that it is able to renew skills and talent effectively. To do this, Slovenia may need to assess and improve its workforce data to understand ageing, retirement and other departure patterns, identify areas at risk of losing knowledge and experience, and put in place management strategies to encourage that knowledge to be captured and shared. Slovenia may also need to develop a long-term vision of the skills and competencies its public administration will need, and ensuring a pipeline of these skills are available to replace departing workers. The scenarios above show how these kinds of skills are changing.

All organisations are required to ensure knowledge transfer from retiring workers to those entering the organisation and taking over their positions, and if the Slovenian administration continues to age, this need will become ever more pressing. According to the presented in Chapter 2 of this report, Slovenia prioritises such knowledge transfer as an objective of its approach to talent management and has some tools to do it. Chapter three points out that the following tools could be useful to promote active knowledge exchange:

- **Multi-generation teams:** Knowledge transfer in organisations can be facilitated through a culture of experimentation and critical dialogue. Slovenia may wish to increase the use of teams for specific projects with an aim to include multigenerational talent.

- **Job rotation programmes:** can also be a way of encouraging exchange. According to the survey Slovenia does make use of such programmes – so they could be built upon and expanded in a multigenerational context.
- **All ages training and development programmes:** training and development are one of the strengths of Slovenia's talent management. Ensuring that older workers are also involved in training and setting up groups that aim to encourage exchange within training programmes can help promote multi-generation exchange in Slovenia's public administration.
- **Mentoring and coaching** is a practice with a high level of potential to tap the skills and knowledge of more experienced workers and to pass them on to others. Slovenia could actively encourage older workers to be trainers and/or coaches, institutionalising their role to transfer knowledge. Slovenia also has various mentorship programmes, generally conducted individually by ministries. There may be an opportunity to further develop these programmes by providing guidance and support to ministries to expand their use across the administration.

An additional aspect of a forward-looking talent management approach for a multigenerational workforce is to plan ahead for the succession of key positions. Senior level public servants tend to be older than the average and are often in their final position before the end of their career. Slovenia should ensure an effective pipeline of future leaders, ready to jump into their roles when current leaders leave. To address this, the OPSI project has produced an innovation prototype to develop novel forms of management training in the Slovenian public administration (Box A A.1).

### Box A A.1. Innovation prototype: novel forms of manager training

Recognising the value of keeping abreast of developments in the public sector and beyond, a further prototype concerns introducing new forms of training for managers which use novel methods and which develop novel skills. Responding to the Closer Cultivators scenario, a future in which communication skills and human-touch services are more important than ever, this initiative is about positioning Slovenia's public services to build productive and trusting relationships among personnel and with local communities.

The prototype involves novel forms of manager training—and not just senior leadership but line managers also. These would involve drawing expertise from other organisations such as in the private sector to identify and trial content and manner of delivery for manager training that would add significant value above what is already provided in Slovenia's public sector. Content might include ethical questions raised by the deployment of new technologies, implementing next-generation diversity and inclusion strategies, or building anticipatory capacity. Manner of delivery could include virtual reality simulations, exchanges within or between organisations, and involving different levels of the hierarchy. This initiative could also help meet the need for managers to evolve and adapt into multiple competency areas over their professional lives, and promote cross-disciplinary transferrable skills.

Experimenting with novel forms of manager training can benefit progress on the suggestion to build strategic human resources capacity.

#### Stakeholders

- Senior leadership can be engaged in identifying which kinds of training, and to test the format and delivery
- Line managers should be identified to participate, and also give feedback immediately after the training, as well as after a delay to identify how far the training has served them in their work

#### Resources

- Budget needs to be made available for training programmes to be purchased from external providers
- Time and meeting capacity should be allocated for searching, studying, and evaluating (before and after implementation) the training programmes used

#### Timeline and management

- Implementation can be relatively immediate if an 'off the shelf' solution is used
- Responsibility for the trainings and their evaluation should be allocated in advance to ensure ownership

### *Flexible talent management practice*

Talent management can also include tools that support the flexibility of public employment systems, which is all the more important when taking a multigenerational perspective. Chapter 3 presents the 4 B's - buy, build, borrow, bind – which develop organisational flexibility by identifying a possible mismatch between the supply and demand of talent in the organisation and attempting to address this mismatch by purposefully redesigning talent management strategies and tools:

1. **Buy (i.e. recruit):** Slovenia's public administrations can buy talent from the market when it does not possess the talents or skills needed. However, given the drop in young public servants in recent years, it appears that Slovenia may be making less use of recruitment in its talent management approach –

at least not for recruiting young people. Slovenia does make some use of fast-track recruitment programmes but does not have a central approach to this. There may be an opportunity to review existing programmes, and scale the best of them across other areas of the administration.

2. **Build (i.e. internal development).** This aspect of talent management is fundamental in Slovenia's public service, where employees tend to spend long careers. The maintenance of strong internal capabilities and talents has many advantages, among which the retention of valuable in-house knowledge and information. OECD research also shows that older workers spend about half as much time in training than their younger colleagues, which suggests that the skills developed earlier in one's career risk not being updated as required, particularly in a context that is itself changing ever more rapidly. Slovenia could implement the use of personal employee development plans as a way of ensuring that learning opportunities are applied equally across generations. To address this, the OPSI project has produced an innovation prototype to develop personal five-year plans ([Box A A.2](#)).

### Box A A.2. Innovation prototype: Personal five-year plans

Building on the value of making work fulfilling, as well as the interest in ensuring that the public sector attracts top talent, this prototype involves engaging with staff to develop five-year career plans using strategic foresight and anticipatory innovation approaches. Derived from the Better Neighbours scenario, in which employee expectations are significantly higher in the future, this initiative seeks to promote constructive negotiations between parties to seek win-win outcomes.

The pilot involves personal five-year plans for individuals to discuss and envision their career development with their managers, supported by senior leadership. Using approaches akin to visioning and back-casting, employees would set expectations for their development and then work out steps and resources (such as training and experiences) needed to get there. As even the best-laid plans can be subject to unforeseen diversions, it would be wise to test the plans against alternative future scenarios and review them regularly. This practice has the added advantage of giving participating staff hands-on experience in the approaches of anticipatory innovation by applying them to their own lives.

Trialling personal five-year plans helps towards the suggestions to improve public sector attractiveness and to increase anticipatory capacity.

#### Stakeholders

- Participating staff can be drawn from an initial pool, or selected at random
- Line managers should receive briefings and support to guide staff in developing the plans
- Heads of service should review plans to confirm feasibility and identify resources and support needed to pursue the plans

#### Resources

- Training where promised in the plans should be made available
- Salary and associated costs should be budgeted for throughout the appropriate time-horizon, taking into account legislative constraints, but also longer-term career prospects such as envisaged promotions

#### Timeline and management

- Implementation is essential to ensure the system is trusted to deliver on its promises
- Responsibility for the dialogue can start with the Ministry of Public Administration and potentially be shared with other ministries or staff associations if these exist

3. **Borrow (i.e. temporary assignments):** Slovenia can also “borrow” talent through secondment and mobility programmes inside the public service (e.g. across ministries) or with other sectors. According to the survey, Slovenia uses a central internal board for mobility, but other tools are used in a decentralised way, including internal and external talent exchange programmes. Slovenia may wish to expand the use of these mobility programmes, linking them centrally to the internal mobility board. The ‘borrow’ strategy is particularly useful in cases where expertise and skills are required for specific short-term projects. To address this, the OPSI project has produced an innovation prototype to develop an internal project marketplace (**Napaka! Vira sklicevanja ni bilo mogoče najti.**).

#### Box A A.3. Innovation prototype: Internal project marketplace

One of the core values of public sector talent management in Slovenia—now and in the future—is ensuring that all staff find their work meaningful. Against the backdrop of the Freer Thinkers scenario, a potential future in which self-motivation takes on much greater importance, this innovation proposes a match-making system connecting skills and work within a new way of operating the internal labour market focused on projects, not jobs.

The idea is to create an internal project marketplace, targeted initially at employees in the Ministry of Public Administration and with a view to expanding to other public-sector workplaces. Managers would post projects and tasks on an online platform for staff to volunteer or potentially bid to work on them. The added value would be a greater sense of agency for the staff participating, a more flexible allocation of duties, increased chances of matching the best skills to particular tasks, and greater potential for cross-silo collaboration if teams are formed in the process. The idea also responds to potential developments in public sector organisations towards flatter hierarchies.

This innovation helps address the suggestion to examine institutional arrangements for talent management.

The following considerations must be taken into account in order to successfully implement this pilot:

##### Stakeholders

- Project managers must understand the system and form reasonable expectations of how it would work
- Participating staff should have time to take on the tasks offered

##### Resources

- Scale of the pilot is important: too many staff joining at once would become unwieldy and difficult to learn from; too few would risk missing a quorum of projects for there to be true choice and agency for participating staff
- Software will be needed for the online platform to function; this could be as simple as a message-board tool which allows comments and names contributors

##### Timeline and management

- Responsibility for the platform would initially fall under the Ministry of Public Administration, with the possibility to decentralise it as an independent service as other ministries join
- Implementation of the platform would take place over a 12-month period, with weekly meetings in the first month and monthly meetings thereafter to assess the setup and uptake of the system

4. **Bind (i.e. retain)** is used to retain employees within public administrations and to optimize the skills they have. Slovenia could explore a range of employment and personal development practices here, including the improvement of monetary reward schemes or other benefits based on performance, the opportunity for training and skills development, the institutionalization of mentoring and coaching trajectories, and other attractive working conditions. Spotting star performers and fast tracking their careers can be a way of retaining high potential employees for key positions – a tool used in the Slovenian administration, but not in centralised way. Flexible working conditions, such as the use of remote working can also be used to engage and retain workers from all across the generational spectrum, helping to better balance work and family life. Slovenia has a significant opportunity now to harness the experience of the recent pandemic to implement new approaches to flexible working in the public sector.

### ***Fulfilling talent management practices***

Talent management practices are a core part of creating fulfilling work environments; that is where staff feel that they have the abilities, motivation and opportunities to carry out their work, and that their talent is being used effectively, in ways that contribute to their personal values. Slovenia will need to provide fulfilling work experience to attract and retain talent across the lifecycle. Slovenia should make every effort to analyse existing workforce data and employee surveys through age-disaggregation to spot any trends or risk issues, and prioritise flexibility in HR policies to be able to adapt to diverse needs of an increasingly diverse public administration.

In the context of multigenerational workforces, talent management practices can help bring about more effective inclusion of older and younger workers. Most EU countries have diversity and inclusions strategies focused on gender and/or people with disabilities. Slovenia could look at including age as a component of theirs. To address this, the OPSI project has produced an innovation prototype to develop intergenerational dialogue ([Box A A.4](#)).

#### **Box A A.4. Innovation prototype: Intergenerational dialogue**

Reflecting on ageing as a major theme in public-sector talent, as well as the growing value placed on diversity and inclusion, this prototype seeks to connect experts from multiple generations within the public service—including those who have left on retirement and young people before the start of their careers. Considering the Higher Flyers scenario, a potential future in which people's working lives are much longer and where dialogue is constrained by increased telework and geographical separation, this innovation proposes engaging in stronger public relations and opening up the attraction of talent.

The pilot would consist of an intergenerational dialogue used to solicit the imagination and knowledge of age-diverse groups to address real-life problems or challenges faced by public administration. The dialogue would take the form of regular meetings with regular or changing participants in the form of a facilitated workshop to combine the creativity and experience of all participants according to where they add the most value. The ambition would be to reframe problems and potentially reveal solutions and initiatives that would not otherwise have been considered in public administration. This initiative also responds to the ambition to communicate public-sector work as a challenging and impactful career to young people considering where to seek future employment.

The intergenerational dialogue initiative reflects the suggestions to focus on developing inclusive ageing strategies; and to improve succession planning.

The following considerations must be taken into account in order to successfully implement this pilot:

**Stakeholders**

- Participants of different age groups must be identified and engaged according to what motivates them to contribute
- Participating staff should have time to reflect on challenges to propose for discussion, and to reflect on and potentially implement outcomes of the dialogue
- Moderators (staff or outsourced ones) must be identified to ensure effective facilitation of these dialogues

**Resources**

- Venue and organisation of the pilot will require a physical or virtual space
- Case studies based on real-life problems; this requires setting up the procedure of identifying and choosing the problems to discuss them in dialogues

**Timeline and management**

- Responsibility for the dialogue can start with the Ministry of Public Administration and potentially be shared with other ministries or staff associations if these exist

**Conclusion: Operationalising talent management in the Slovenia's public service**

The above has shown how Slovenia can design a future-fit talent management that is forward-looking, flexible and fulfilling. While Slovenia uses many of the tools identified in the survey conducted for this report, their use tends to be ad-hoc – implemented by individual organisations and agencies, to varying degrees of integration and effectiveness. An integrated talent management strategy can provide the grounds to inform civil servants' development and career progression. Slovenia would be well advised to follow the generic steps proposed in Chapter 3 to design a process for Slovenia to make more strategic use of talent management practices:

- Step 1. Identify and monitor talent challenges: Information is key to make effective decisions and to design and implement successful talent management strategies. In this first step, Slovenia should inventory its internal demographics, assess their talent base and conduct risk profiling activities.
- Step 2. Assess and prioritize talent policy gaps: The second step to the successful implementation of talent management practices consists of a review of organisational policies on talents. This second step produces relevant insights when connected to the information gathered through the first step described above. It could also be guided by the concepts above of forward-looking, flexible and fulfilling talent management practices.
- Step 3. (Re)design talent management plans and (re)evaluate: The third step to successful talent management is the design or adjustment of a comprehensive talent plan that incorporates the different talent management strategies and tools. A comprehensive plan for managing the talents in the workforce is essentially focused on the personal wellbeing of workers, and on their professional drivers, motivations and needs. Talent management matches these with the demands of the organisation. Job satisfaction and higher productivity go hand in hand.

In doing so, Slovenia may wish to keep the following suggestions in mind:

***Suggestion 1: Monitor and address public sector attractiveness***

In order to attract and retain talents, the Slovenian public administration should focus on ways to improve the attractiveness of careers in the public administration. This could include:

- Developing and communicating an employee value proposition



- Improving employer branding and communication strategies
- Improving talent mobility within the Slovenian administration

***Suggestion 2: Examine institutional arrangements for talent management***

Creation or reinforcement of a centralised system to monitor personnel challenges in the public administration. This could include

- Adoption of relevant legislation as required
- Creation of an inter-ministerial steering committee on strategic human resource management challenges in the Slovenian public administration

***Suggestion 3: Strengthen strategic HR and succession planning***

There is scope to improve planning in the Slovenian public administration, including through the greater use of workforce data. Succession planning could also focus on:

- Identifying high-potential talents within the administration who could assume management responsibilities in the future
- Developing structured learning and development opportunities for this group
- Improving mentoring opportunities for staff

***Suggestion 4: Reinforce strategic HRM capacity***

Ensure that people managers and personnel offices in line Ministries have the tools, skills and resources to be able to carry out talent management. This could include:

- Up-skilling and training of human resource management staff on talent management practices
- Providing support to line managers and ministries on people management challenges
- Developing tools and resources for an age-inclusive workforce, such as flexible working hours

***Suggestion 5: Focus on developing inclusive ageing strategies and practices***

A quarter of workers in the central government workforce in Slovenia are over the age of 55. While this suggests the need to develop workforce management policies to meet the needs of this cohort, the focus should be on developing tailored support for workers of *all* ages and strengthening collaboration between generations. This could include actions such as:

- Consider greater use of employee surveys to measure elements of job satisfaction/importance and engagement across generations in the workplace
- Examine the degree to which policies and tools to support multigenerational workforces apply to staff of different age groups.
- Explore the greater use of the following tools: mentoring/reverse mentoring programmes; bias mitigation procedures for recruitment processes; benefits that appeal to employees throughout their career; re-entry/return-to-work programmes; intergenerational employee resource groups; dedicated mixed-age teams; lifelong learning opportunities; phased retirement programmes.