

## Formation of an innovative model of human resources management in public service in Ukraine

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**Abstract.** The article is devoted to the research of the modern system of personnel management in state and local self-government bodies and creation of an innovative model of human resources management in the public service in Ukraine. It has been established that the modernization of personnel services into personnel management services started in the public authorities after the approval of the Strategy of the state personnel policy for 2012-2020, the Strategy of reforming the public administration of Ukraine for the period up to 2021 and the adoption of the new Law of Ukraine "On Civil Service" and continues today. Analysis of the existing personnel management system in state bodies and bodies of local self-government, its strengths and weaknesses has identified a number of systemic problems, and also, that today in Ukraine there is no single, legally regulated system of personnel management in the public service in general and of the personnel management system in the sphere of state service and service in bodies of local self-government in particular. A large number of legal documents governs this system and only fragmentary reflected in them. It is proposed, to solve these problems and improve the management of human resources in the public service in Ukraine, to move from personnel management to a qualitatively new level of service strategic management of human resources. It have been defined the main purpose, objectives and functions of the office of strategic human resource management in the public service, and have been developed a model of strategic human resource management in the public service and mechanisms for its implementation.

### 1 Introduction

The effectiveness of public administration, the success of its reform, and the modernization of Ukraine's public service largely depend on the quality of human resources management (HRM) in state and local governments. Today, human resources management is, first, one of the most important and systemic problems in the public service sphere, and secondly, a key area of reform and modernization of Ukraine's public service

In accordance with the strategic principles of public administration reform in Ukraine and the conceptual principles of local government reform, the management of human resources in public authorities should be aimed at solving the following problems: the lack of high-skilled personnel in the management and other positions of the public service, which are important for the development and implementation of national and sectorial reforms, the reform of local self-government and territorial organization of government, the implementation of processes of power decentralization; high level of corruption in the public service system, which impedes the effectiveness and efficiency of public administration; gender imbalance; insufficient level of human resources management both in ministries, other central and local executive bodies, and in local self-government bodies; incompleteness of modernization of personnel services of state and local self-government bodies into personnel management services and insufficient professional level of their employees; low level, imperfection and opacity of the salary structure; incompleteness of reforming the vocational training system; lack of an automated human resources management information system in the public service and etc.[ 3; 7].

In our opinion, in order to solve these problems and improve human resource management in the public service in Ukraine, it is necessary, first, to analyze the existing system of personnel management, its strengths and weaknesses and to build an effective

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system model of strategic human resource management in the public service and to develop mechanisms its implementation. Today, in the sphere of public administration, including in the sphere of public service, both external and internal changes are being transformed, staff are becoming the most valuable resource of public authorities, becoming the most effective tool and instrument for improving the efficiency of public authorities and local authorities municipality. This requires the efficient use of human resources and strategic management of human resources, the transition from personnel management services to a qualitatively new level - services of strategic management of human resources. Thus, the relevance of these issues is indisputable. In addition, to date there are no thorough publications on the analysis of the strengths and weaknesses of the existing public administration personnel management system in accordance with the current legislation, its further improvement, which led to the choice of the chosen research issues.

## **2 Presentation of the main results**

The process of modernization of the public service and the creation of a new system of public service management at the central, regional and local levels are underway at a new stage of state formation in Ukraine. According to the levels of the public service management system, the most important components of the public service personnel management system are formed, namely: organizational structure of personnel management, personnel management system, regulatory and legal framework for personnel management, information and methodological support of the personnel management system, methods and technologies of personnel management. The public service personnel management system is a set of interacting elements (objects and entities, processes and relationships) that form a well-defined organizational integrity. Public service personnel management system, on the one hand, can be considered as a self-functioning and in a certain way organized subsystem in which their own subjects and management objects interact, their own management relations are formed, specific tasks for formation and rational use are defined and implemented personnel capacity of public authority. On the other hand, the personnel management system, being a component of managing the entire public service, interacts with the environment, takes into account and satisfies its needs and interests. It should be noted that in Ukraine today there is no single common, legally regulated system of management of public service personnel in general and personnel management systems in the sphere of public service and service in local self-government bodies, in particular. This system, unlike the civil service management system defined in the Law of Ukraine "On Civil Service", is regulated by a large number of regulatory documents and is only fragmentarily reflected in them.

Improvement of the personnel management system is a factor that significantly influences the improvement of the performance of each public authority. In Ukraine, an important component of improving personnel management in the public service has been the modernization of staffing services in executive bodies to staffing services, ensuring a radical update of the content of staffing services through their reorientation from personnel accounting to personnel management in accordance with the current Law of Ukraine "On Civil Service" [4]. Mentioned services had low organizational status and insufficient professional level of employees, performed purely clerical functions, still have today purely formal relations with other structural units, which also performed certain functions in the field of personnel management: legal department, remuneration department, social and housing and housing - municipal services, laboratory of social and psychological research, department of labor protection and safety, etc. The public service personnel management system, organizational and functional structure of staffing services of state and local governments did not sufficiently take into account the positive foreign experience and did not correspond to the large, complex and varied number of management functions they were supposed to perform. For this reason, the structural reorganization of public service personnel and their functional enrichment became tasks of paramount importance that required a legislative, scientific, methodological and organizational solution.

The directions of the personnel services modernization in the personnel management services were defined in the Strategy of the state personnel policy for 2012-2020, the Strategy of reforming the public administration of Ukraine for the period up to 2021, the new version of the Law of Ukraine "On Civil Service", which was developed in accordance with European principles and standards of democratic governance [5; 6; 7].

Thus, in accordance with the Strategy of the state personnel policy for 2012 - 2020 and the defined goals, the following tasks of the state personnel policy were determined in the direction of modernization of the subjects of personnel policy concerning the modernization of personnel services: entrusting to the services of personnel the functions of planning, placement, personnel qualifications and career development; developing a system of measures for analytical and information technology support of

personnel management processes; introduction of e-government technologies; improvement of the system of professional training of personnel management specialists [6].

The Strategy for reforming the public administration of Ukraine for the period up to 2021 states that among the main components of the reform of public administration, which will ensure its success, is the establishment of structural units for personnel management or the introduction of the post of staff specialist in the ministries and other central executive bodies develop modern human resource management with coordination of activities of the National Agency of Ukraine for Civil Service. The Strategy also states that the success of the civil service reform depends largely on the quality of human resources management in public bodies, which requires the establishment of effective and efficient staff management services in each public authority. At the same time, the establishment of personnel management services in the ministries and other central executive authorities was identified as one of the priorities of reforming the civil service and human resources management in state bodies [7].

In accordance with Article 18 of the Law of Ukraine dated 10.12.2015 No. 889-XIX "On Civil Service" and the Model Regulation on the Service of Personnel Management of a State Body, Approved by the Order of the National Agency of Ukraine for Civil Service No.47 03.03.03.2016 and registered in the Ministry of Justice of Ukraine on March 23, 2016 under No. 438/28568, in the state body, depending on the number of personnel, a structural unit is created or the position of staff specialist (hereinafter - personnel management service) is introduced [4; 5].

In a government body of fewer than 10 persons, the responsibilities of the Personnel Management may be assigned to one of the public servants of that body. The number of the personnel management services is determined at the rate of up to 20 persons per one specialist of personnel management service. The personnel management service reports directly to the head of the civil service in a public authority. HR Manager appointed to the post and dismissed by the head of the civil service if there is an opinion of the central executive body, which ensures the formation and implementation of state policy in the sphere of public service. A person who meets the requirements established by the Law of Ukraine "On Civil Service" is appointed to the position of head and to the posts of other employees of the personnel management service in the state body [5].

The main tasks of the personnel management service in the state bodies are: implementation of the state policy on personnel management in the state body; ensuring that the head of the civil service exercises its human resources management responsibilities; ensuring organizational development of the state body; selection of staff of the state body; forecasting of personnel development, promotion of employees to career, improvement of their professional competence; carrying out analytical and organizational work on personnel management; organizational and methodological guidance and control over the work with staff in subordinate territorial bodies; documenting the entry into the civil service, its passage and termination [4].

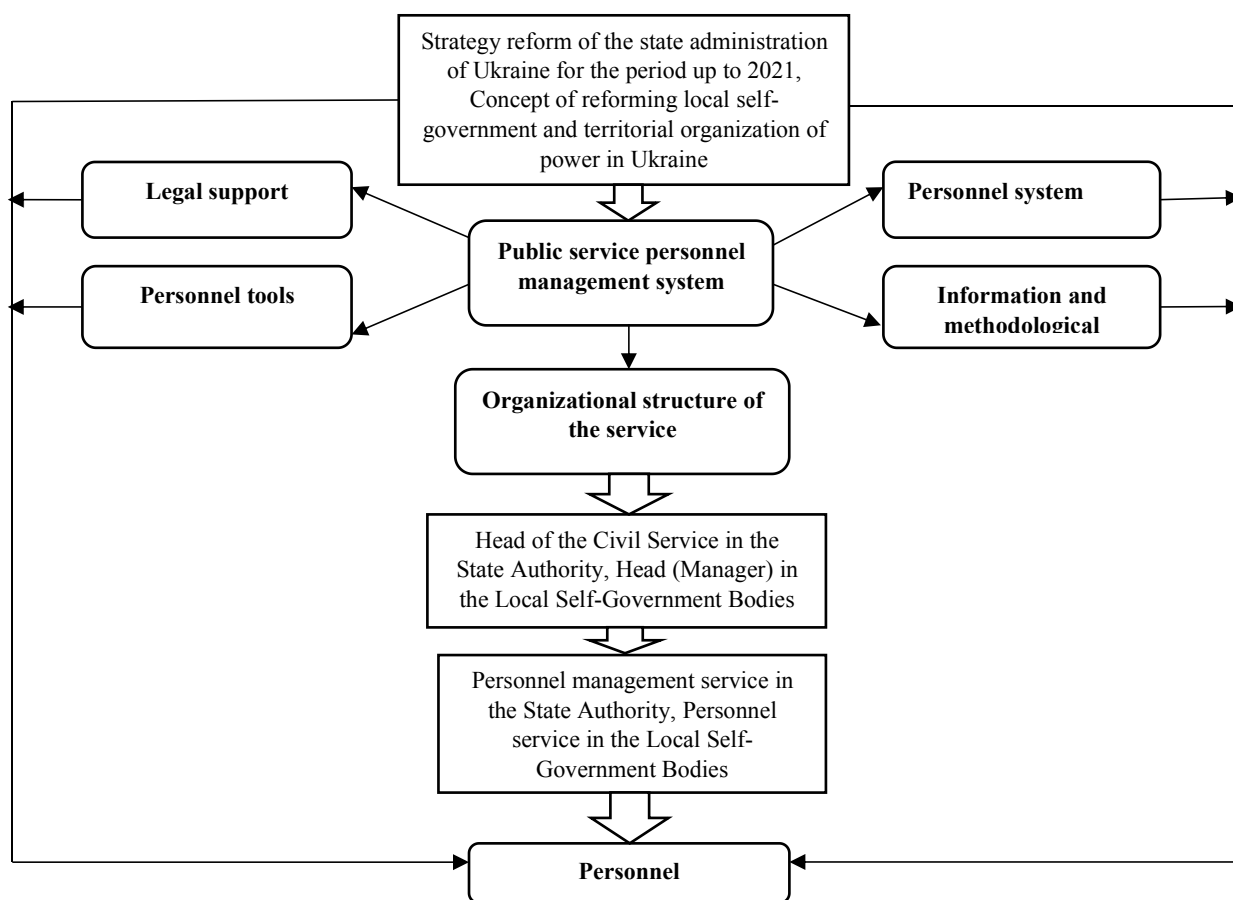
It should be noted that in Ukraine until now (since 2011) a new law "On Service in Local Self-Government Bodies" has not been adopted, and therefore mechanisms for implementing the main directions of modernization of personnel services of local self-government services in HR management are developed independently by each local self-government body. Today, most local governments still have staffing services, while others have staffing services or personals' management responsibilities assigned to one of the body's officials. The regulations on staffing (staff service) in the local self-government body be approved by the relevant local self-government body. Methodological recommendations for the establishment of a Personnel Management Service in Local Self-Government Bodies by a specially authorized Central Executive Body for Civil Service (NADS), in agreement with the All-Ukrainian Associations of Local Self-Government Bodies, will be developed only after the adoption of the new Law of Ukraine "On Service in Local Self-Government Bodies". Pursuant to Article 10 "Service of Personnel in Local Self-Government" of the draft Law of Ukraine "On Service in Local Self-Government Bodies" a structural subdivision may be created in the local self-government body or the position of staff specialist (hereinafter referred to as personnel service) may be created. The draft law stipulates that the Regulation on the Service of Personnel in Local Self-Government shall be developed taking into account the Model Regulation on Service of Personnel in Local Self-Government, approved by the central executive body, which ensures the formation and implementation of state policy in the field of public service. The relevant local self-government body shall approve the regulations on the service of personnel in the local self-government body. The service of the staff of the local government body is formed by the decision of the head of the service in the local government, unless otherwise provided by law. The head of the service in the local

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government also determine the organizational form of the personnel service, unless otherwise provided by law [1]. The model of the current public service personnel management system shown in Fig. 1.

According to the authors, in the current conditions of transformation of Ukrainian society personnel management services in state bodies, staff services and human resources services of local self-government bodies, taking into account the best foreign experience of functioning of human resources management services, should expand their tasks and functions, move to a new level - strategic human resources management services. At the same time, the tasks and functions of the strategic human resource management service must be integrated into the overall Strategy for the development of each public authority, consistent with the Strategy for the Reform of the Public Administration of Ukraine and the directions of modernization of the public service.

The overarching goal of the Strategic Human Resource Management Service should be to provide a state or local self-government body with human resources capable of effectively accomplishing their tasks, as well as the efficient use, professional and social development of human resources.



**Fig. 1.** The model of the current public service personnel management system

The main tasks and functions of the HRM service should be:

- 1) ensuring the implementation of state policy in the field of public service on human resources management, participation in their development;
- 2) ensuring the head of public service in a public body or the head of service in a local government body the powers assigned to them;
- 3) analysis, strategic planning and forecasting of human resources needs; coordinating human resource planning with planning in other structural units of the public authority;
- 4) monitoring (study of internal and external labor market, active search for employees), selection and accounting of human resources, interaction with human resources agencies for leasing human resources;

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- 5) implementation of measures for social and cultural adaptation of staff to the public service, organization of training of public servants;
- 6) organization of measures for raising the level of professional competence, professional training and development of human resources in order to fulfill the functions, powers, perspective tasks and goals assigned to the public authority;
- 7) formation of personnel reserve for senior civil service positions, planning of long-term careers of public servants in key positions and promotion of employees for service career;
- 8) evaluation of officials by the results of their activity;
- 9) creation of a system of motivation, development of new forms and methods of motivation of public servants to work and professional development;
- 10) managing the quality, efficiency and effectiveness of public servants' service activities;
- 11) organizational-methodological, legal, informational and social-psychological support of human resources management;
- 12) ensuring internal communication (solving employee problems, clarifying management expectations) and developing a corporate culture;
- 13) conflict resolution, creation of a positive moral and psychological climate in the team;
- 14) formation of management style and organizational culture;
- 15) compliance with the rules of professional ethics and etiquette of public servants;
- 16) developing leadership in public service;
- 17) creation of conditions for work and development of public servants, control over the observance of the rules of internal civil service and labor protection;
- 18) participate in the formation of the budget for human resources expenditures and control over its implementation;
- 19) development of corporate compensation and benefits policy, modeling of social security package;
- 20) direction, coordination, organizational and methodological guidance and control over work with human resources in subordinate bodies;
- 21) documenting the entry into the public service, its passage and termination;
- 22) HR consulting for employees of public authorities with food and services, forms and methods of work with legal knowledge.

According to the authors, the tasks and functions themselves are the main, initial factor in the formation of the organizational structure of the service of strategic human resources management in public authorities. They determine the emergence, nature and development of the organizational structure of governing bodies, and the structure, in turn, is subordinated to goals and functions, acts as their material carrier and means of realization.

The staff of Strategic Human Resource Management should include sociologists, interviewers, psychologists, lawyers, specialists in work organization, system analysts, career consultants, career guidance and adaptation, organizational planning, implementation of the human resource management information system, etc. A manager heads of strategic management human resources service. Personnel with a high level of professional competence necessary to perform tasks in a relevant position that meet the requirements of the laws of Ukraine "On Civil Service" and "On Service in Local Self-Government Bodies" should be appointed to the position of the Head of the Strategic Human Resource Management Service. A candidate for a vacant position in the Strategic Human Resource Management Service should have such knowledge, skills, and personal qualities that will enable him/ her to act professionally in typical and non-standard situations that arise in the performance of their functional duties. Today, more than ever, changes in the outlook of employees of the strategic management of human resources and their traditional management mentality, existing approaches, forms, methods and technologies of management, realization of communication abilities and psychological behavioral qualities (confidence, determination, purposefulness, purposefulness, purposefulness), stress resistance, competitiveness, application of innovative approaches in work and creative thinking, introduction of creativity in activity, making effective decisions in non-standard situations and development of new managerial thinking on the basis of the modern man centrist paradigm, orientation to the person with his needs and development opportunities.

The organizational structure and number of the strategic human resource management service in the public service depends on the number of employees in the public authority. We believe that it is necessary to expand not only the tasks and functions of these

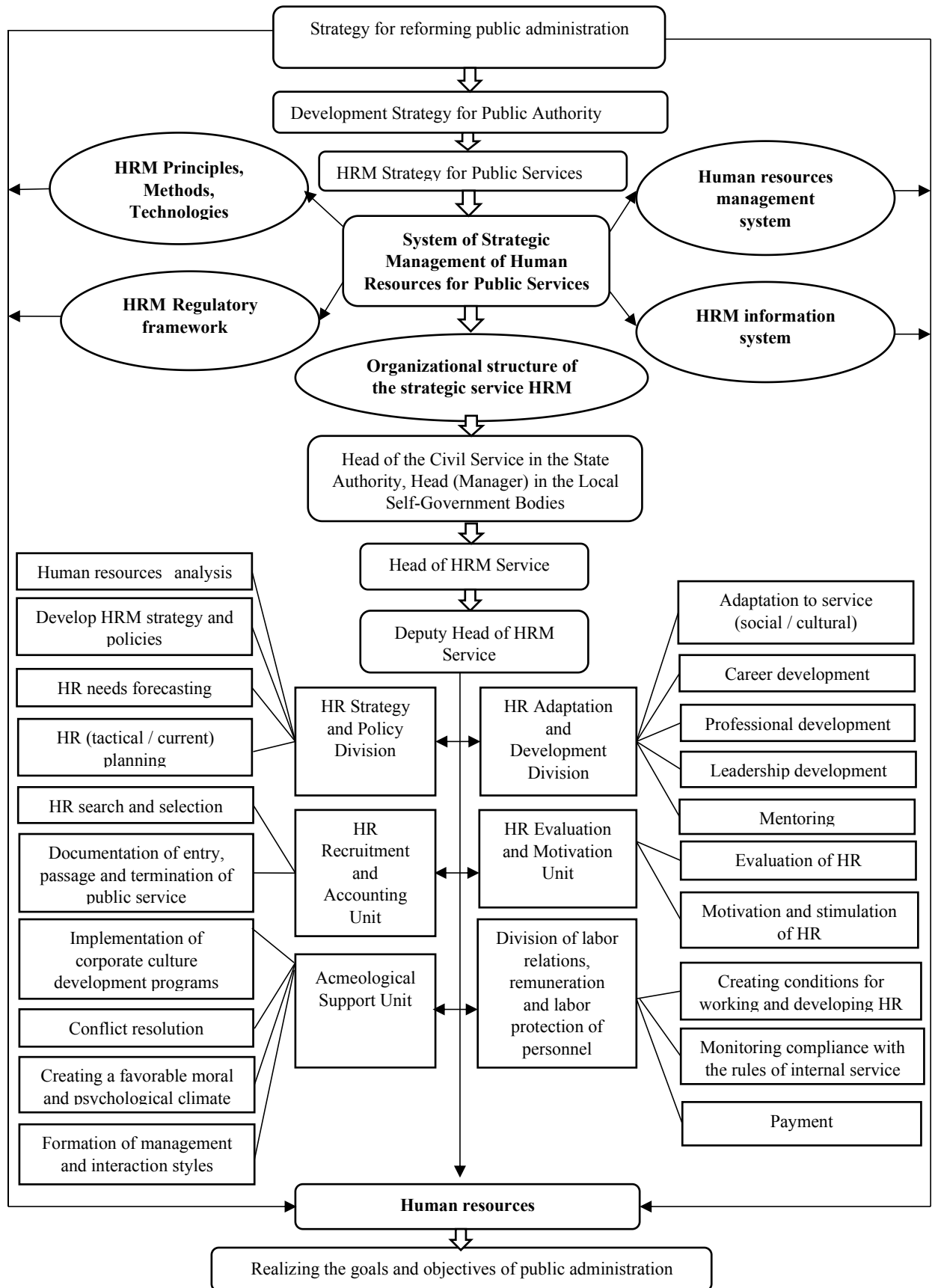
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services, but also to increase their number in comparison with the one established by the current legislation. The system of strategic management of human resources in the public service should include the following elements: principles, methods, technologies, regulatory framework, system of work with human resources, information system of human resources management in the public service and organizational structure of the service of human resources management. The model of the proposed system of strategic management of human resources in the public service presented in Fig. 2.

The organizational structure of the human resources management service is directly subordinate to the head of the civil service in the state body or the head of the service in the local government body, and includes: the head of the strategic human resources management service, deputy heads of the service, HR strategy and policy divisions, HR selection and accounting, adaptation and HR development, assessment and motivation, acmeological support, labor relations and HR pay. This system based on the general principles of human resource management in the public service, which determine the content of its elements and the choice of specific tools, tools, forms, methods and technologies of human resource management.

In our view, the transition to a new, innovative model of strategic management of human resources in the public service should occur based on analysis and diagnosis of the existing model of the system of personnel management in the public service, development of a project of a new organizational structure of the system of strategic management of human resources in the public service, determination of its indicators efficiency. It should be noted, that there is no universal model, as well as a universal organizational structure, of the HRM service, since each public authority has its mission, objectives, tasks, competences, powers and staffing.

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**Fig. 1.** The model of the proposed system of strategic management of human resources in the public service

The first step in the transition from public administration to the strategic human resource management system is the creation of an integrated human resource management information system in the civil service and in the service of local self-government bodies.

In order to create an integrated human resources management information system in the public service, the Concept of implementation of a human resources management information system in state bodies was approved, which defines the directions, mechanisms and terms of implementation of effective information system for creation of conditions of open, transparent and effective state administration with application of the latest information and communication technologies [2]. The modules of the integrated information system, which will be created in stages, are:

- module of internal transfer of civil servants and competition for vacant positions;
- module of search and selection of personnel in the system of state bodies;
- module for determining the payroll and financial analytics training;
- module for conducting civil servants' personal affairs (career, assessment of performance, competences, vocational training, etc.).

At present, the National Civil Service Agency of Ukraine has launched the PoClick Human Resources Management Information System.

The development of PoClick began at the beginning of 2019. Real NADS personnel accounting data has already been uploaded to the system and standard procedures are in place. In 2020, all ministries, and subsequently all state bodies in Ukraine, which exceed 5,000 will have to use the system. The introduction of a modern IT system for managing human resources in the civil service will help to get rid of burdensome personnel procedures, automate them and translate them into "numbers". PoClick records all information about everyone who holds the status of a public servant today, from their tasks and responsibilities, up to their salaries. The launch of such a system will allow digitizing the activities of about 200,000 people working in public authorities. A similar system should be created in the service of local self-government bodies, which also employ about 80,000 people.

The Human Resource Management Information System will provide effective monitoring of the public service, increase the manageability of the public service, enhance the quality of human resources management, release the huge human resources currently involved in paper personnel accounting, improve the control of staff costs and decision-making efficiency.

The important directions of the transition in the field of public service from the personnel management system to the strategic human resource management system are improvement of the mechanism of competitive selection for positions, formation of a system of evaluation during the selection of specialists, creation of a mechanism for professional adaptation of newly appointed workers in the workplace by implementing a system of mentoring of professional professions providing financial incentives based on the results of the evaluation; discontinuous professional training of public servants, and providing material incentives for evaluation results, introduction of a system of continuous professional training for public servants, improvement of the remuneration system, taking into account the content and volume of work performed, its complexity, level of responsibility and personal contribution of the employee to the overall results of work. This will ensure the efficient functioning of public authorities; will enhance the efficiency of public service management.

### **3 Conclusions**

Thus, the conducted research shows that radical renewal of Ukrainian society, improvement of efficiency of public administration, implementation of processes of reforming and modernization of public service, its adaptation to the standards of the European Union directly depend on the human resources available in public authorities, their human resources, and therefore, requires involvement at all levels of the next generation of personnel management system, improvement of forms, methods and technologies of work with them, changes of the existing national paradigm of human resource management in the public service.

Improving the legal framework by amending the Law on Civil Service and adopting a new version of the Law on Ukraine should be considered as the priority areas for the formation of an innovative model of human resources management in the public service in Ukraine, as an important factor in modernizing the public service and improving the efficiency of public administration. "On Service in Local Self-Government Bodies", Other Regulations, harmonization of Their Basic Provisions by Developing and Adopting the Law of Ukraine "About Public Service." Also, in order to create a new organizational structure of the system of strategic management of human resources in the public service, it is necessary to legislatively regulate the system of strategic management of human resources and to determine, in accordance with the directions of modernization of the public service, the basic elements of the organizational structure of this system, to expand its tasks and functions, to provide a radical update the content of the activities of



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human resources and personnel management services in the field of public service through their reorientation to strategists no human resource management.

Considering that the modern system of human resources management in public service is not sufficiently prepared for the tasks of strategic development of public authorities, implementation of a comprehensive strategic approach to selection, use, career and professional development, evaluation and motivation, social and psychological support of employees we consider it necessary to offer:

1. Amend Articles 1, 2, 12, 17, 18 of the Law of Ukraine “On Civil Service”, that adopt in a new wording the law of Ukraine “On Service in Local Self-Government Bodies”, introduced in the Verkhovna Rada of Ukraine (Bill with Registration No. 1223 of 02.09.2019), to develop and adopt, in accordance with European principles of public administration, the Law of Ukraine “On Public Service”, the Model Regulation on the Strategic Human Resource Management Service.

2. Develop a Human Resources Management Strategy in the public service and a Human Resources Management Strategy in public authorities for the period up to 2025.

3. Assign all functions of human resources management in public authorities within one department, management, department, sector (depending on the number of staff).

4. Public authorities to independently analyze the current state and strategic prospects of human resources development or involve outsourcing and consulting agencies.

5. Introduce the latest technologies and innovative approaches in human resources management aimed at developing professional competence, initiative, innovation, creativity and leadership skills of public servants.

6. Introduce advanced foreign experience in strategic management of human resources in the public service, European principles, standards (TQM, CAF, ISO 9000, SA 8000 etc.) and international regulations in this field.

7. Introduce the compulsory audit, monitoring and control of human resources in the public service in all public authorities in order to analyze the activities of public servants and their impact on the performance of the public authority.

8. To manage corporate culture in order to involve all structural subdivisions of the public authority in order to improve their strategic goals.

Thus, the implementation of the proposed directions for the formation of an innovative model of human resource management in the public service, the transition to strategic human resource management in public authorities will help to create in Ukraine a professional, stable, prestigious, authoritative, responsible and highly effective public service capable of answering challenges and providing in accordance with European standards, high-quality and affordable public services to citizens, create comfortable environment for their habitat and provide a more efficient public administration.

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