

Public Administration Reform and Anti-Corruption:

The Reform of the Civil Service System as Viet Nam Moves into the Middle-income Country Category

Vietnam has a vision to **build a democratic, clean, strong and modernised civil service**. Much effort has been made to improve the quality of the civil service and the management of civil servants with the promulgation of the Ordinance on Cadres and Civil Servants in 1998, the revisions in 2000 and 2003, and the enactment of the new Law No. 22/2008/QH12 on Public Officials and Civil Servants (LPOCS) in 2008, which will come into effect in January 2010. However, there are still a number of severe shortcomings such as poor human resource management and development, inadequate remuneration, low motivation, poor work ethics and performances, as well as a lack of transparency and systemic corruption that hampers the effectiveness of the government.

A critical question to ask as Viet Nam reaches its goal of achieving middle-income status is **what further reforms are needed to ensure that the Vietnamese civil service is effectively able to manage the country's economy, people and resources?**

Comparative lessons drawn from neighbouring countries indicate that the reform of the Vietnamese civil service in the next 10 years should be based on an **integrated human resource management and development framework that is underpinned by the principles of merit, performance and objectivity**. A merit system based on non-discriminatory practices and equality of access to public office would promote professionalism in the civil service. A critical element in ensuring performance is a rigorous staff appraisal process based on job competencies and performance targets. The principle of objectivity will grow in importance because the need for sound and impartial technical advice will become paramount

in order for Viet Nam to compete successfully and develop effectively in the global environment.

The recently enacted Law on Public Officials and Civil Servants has opened up some possibilities for major changes toward a civil service based on position and merit. The law takes a major step forward by removing public service delivery agencies or managers of state-owned enterprises from the scope of the civil service. Another major step is that the law provides different frameworks for public officials (cadres), civil servants and commune officials.

The distinctions between these three groups facilitate more targeted stipulations of rights, obligations, recruitment conditions, training and other human resource management issues. The exclusion of staff working in public service delivery agencies could pave the way for more flexible human resource management practices in those agencies. Obligations and personal responsibilities have been further clarified and more attention has been paid to performance appraisals and accountability.

To enable effective implementation of the new law a series of reform actions are recommended, including, but not limited to the following:

- **Promotion of merit and performance-based principles and making these overarching principles.** Applying the principles of merit and performance would require structures and systems that align policy goals and targets to jobs, competency requirements, performance indicators and staff appraisal processes. This merit principle needs to be clearly articulated and accompanied by a mechanism to protect it. An independent system of performance

audits is necessary to ensure that minimum standards are met.

- Development of a **national civil servant competency framework to provide the foundations for a merit-based approach to modern civil servant management practices**. Such a framework should also identify the competency levels for progression up the hierarchy to provide a clear path for career development, promotion and training. Current performance appraisal practices need to be linked to this competency framework, and appraisal practices need to be developed for specific work settings rather than applying a single procedure for the whole civil service.
- Relevant policies and practices need to be developed for managing the various groups of cadres, civil servants and public servants. **The dual subordination issue needs to be addressed with more transparent differentiation between Party ‘oversight’ and Government ‘execution’**. One possible way to deal with this issue could be to pass a separate law on cadres in the future.
- **Enhance the capacity of the Ministry of Home Affairs (MOHA) to undertake policy formulation and implementation** and establish an independent body for the oversight function of safeguarding the merit principle. Ideally, this body should be directly under the Prime Minister or chaired by the Prime Minister. Members of the body could include those who have been involved in the process of making policy for civil servant management, as well as external expertise such as academic scholars from research institutions and universities.
- Make use of key tools in a merit- and position-based civil service system such as **job evaluations, job descriptions and performance appraisals as a basis for recruitment, promotion, training and remuneration**. Proper deployment of these performance tools would provide a more transparent and objective staff appraisal system, thus creating conditions that would encourage more motivation among civil servants and reduce opportunities for malpractice and abuse.

- **Introduce competition into civil service training**, especially in competence-based training, by opening up training activities to private service providers. Government agencies should be encouraged to procure the best training services from both internal and external service providers.

Perhaps the two most critical and immediate reform steps are the **institutionalisation of job descriptions as the basis for staff employment and setting performance targets as the basis for staff appraisals**. Together they provide the foundations for all the other human resource functions in a merit-based system. The role and capacity of the line manager is another crucial element, not only in terms of assessing performances, but more importantly in relation to managing performances.

It is essential to realise that reforming the management of human resources within the civil service requires an integrated, systematic approach. **That is, reform in one area can only be effective when all related human resource areas are taken into account**. Therefore, reform of the civil service in the next 10 years should be based on an integrated human resource management and development framework that is underpinned by the principles of **merit, performance and objectivity**.

For further details, please see:

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