

CES Forum on Human Resources Management and Training in Skopje, 3 - 5 September 2008

STRATEGY BASED HUMAN RESOURCES MANAGEMENT IN PRACTICE - EXPERIENCE OF  
STATISTICS FINLAND\*

Invited paper submitted by Statistics Finland

## INTRODUCTION

The areas of emphasis in Statistics Finland's strategy are consistent production of statistics that meet users' needs, clear service selection, flexible use of financial and human resources, improvement of productivity, increasingly efficient statistical production process, target-oriented and controlled change by means of project management, competent personnel, learning organisation and healthy work community. The goals are translated into actions in the context of annual planning. The targets for the coming year and the measures describing their attainment are decided in annual performance agreements between the Director General and the statistics departments. At the same time, agreements are made about the resources that the departments will have available.

The scope of performance management also extends to matters concerning personnel. Directors of the statistics departments are responsible for the maintenance and development of the competence and well-being of the personnel of their own departments in line with the agency's policy. A centralised personnel unit is responsible for the development and uniformity of processes related to human resources management throughout the agency, and for personnel development programmes and information systems. All employees of Statistics Finland have performance discussions with their own superior twice a year. The first discussion is known as target and development discussion and takes place in the latter half of the year. The second one is an appraisal discussion, which takes place at the beginning of the year. The target and development discussion focuses on setting goals and drawing personal development plans for the coming year. In the appraisal discussion, the focus is on the assessment of work performance during the past year. This procedure has a major bearing on the planning of personnel development measures and analyses of achievements.

Besides by continuous development, improvements to Statistics Finland's activities are also sought through special projects and strategic development programmes, as well as projects spanning the whole organisation. An example of these is the Personnel 2010 programme (ratified in 2003, Figure 1) which is based on the strategic plan of Statistics Finland. The programme sets out the lines and points of emphasis for Statistics Finland's personnel policy for the immediate future years. The main elements of this programme relate to competence management, rewarding policy, well-being of staff and improvement of management and supervisory work. The paper describes these goals in detail and explains how these targets are brought into practice and what kinds of monitoring and follow-up mechanisms are in use. Because the strategic plan of Statistics Finland was updated in 2007, a project for updating the Personnel 2010 programme will be started this year.

---

\* The document is a slightly revised version of the paper presented at the seminar of the ECE Conference of European Statisticians in June 2006.

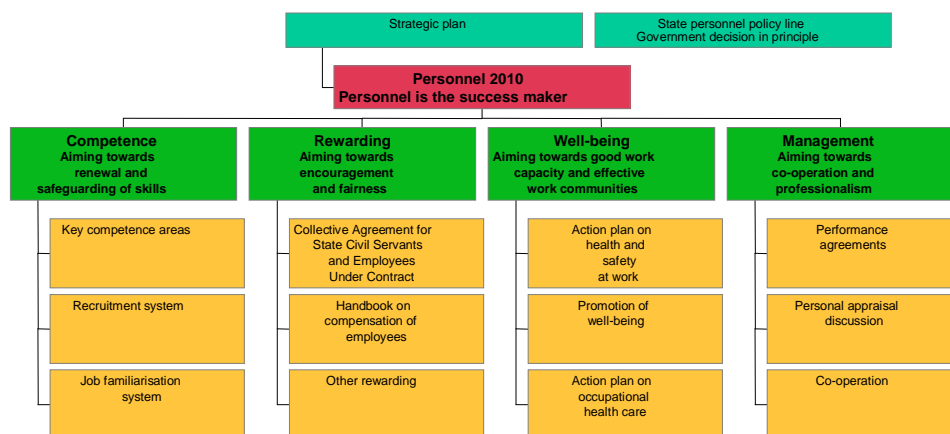


Figure 1. Personnel 2010 programme

## COMPETENCE DEVELOPMENT - AIMING TOWARDS RENEWAL AND SAFEGUARDING OF SKILLS

Renewal and safeguarding of skills in areas that are strategically important to Statistics Finland is one of the targets set in the Personnel 2010 programme. Statistics Finland must ensure that its core competences are up-to-date and developed by means of goal-oriented training, challenging job tasks, internal mobility, recruitment of new talent and special expertise, and by supporting the personnel's voluntary pursuits of further training. In addition, Statistics Finland must safeguard knowledge transfer and develop methods to serve this purpose.

The agency's activities are developed as a learning organisation that is capable of managing its processes of knowledge and know-how, that is, generation and processing of knowledge, sharing of innovations and best practices, and learning. Skills requirements vary by task or personnel group. The groups are: Statisticians (about 47 per cent of personnel totalling 1,087), Interviewers (20 per cent), IT/ADP experts (12 per cent), Information service staff (9 per cent), Administrative staff (7 per cent) and Managers and supervisors (6 per cent). In all, 68 per cent of the personnel (excl. interviewers) hold lowest tertiary level or lower university level qualifications. Forty-seven per cent hold degrees at master's or doctorate level.

## CORE COMPETENCES AND DEVELOPMENT OF PERSONNEL

Statistics Finland's objective is that human resources are used appropriately and flexibly from the point of view of the whole organisation. This can be achieved by proactive planning of the quantity and quality of human resources and by procuring from outside such competence and services that are not expedient to be provided in-house.

Statistics Finland manages and develops its competence in line with its competence strategy which was last updated in 2008. The strategy defines the organisation's core competences and the competence required in statistical work in accordance with an appropriate model. It further specifies the points of emphasis arising from the organisation's operational strategy and environment for human resources development in the immediate future years.

The core competences comprise special skills that are necessary for a national statistical service to be able to produce statistical descriptions of ever more complex social and economic phenomena, and produce information services for the needs of society. Apart from methodological knowledge, the

compilation of statistics also requires knowledge of the social phenomena they are intended to describe. Statistics Finland's core competences include:

- Statistical skills - methodological and institutional know-how
- Familiarity with described topic
- Knowledge of statistical methods and official statistics
- Knowledge of the demand for statistical data
- Knowledge of presentation of statistical data.

The core competences, or competences supporting them, can be found in all personnel groups.

Different kinds of skills are required in the diverse tasks of Statistics Finland and these are described with competence models. The models describe the skills and knowledge that are required in statistical work, and in information service, information technology, management and administrative tasks. The models are used to support development and career planning.

Statistics Finland aims to integrate its competence management with its planning and monitoring system. In 2007, a pilot was conducted with a proactive human resources planning model according to which the statistics departments make an annual assessment of the present status quo of their competence, the kind of competence they will need in future, and their out-coming areas of competence deficiency. Basing on these assessments, a framework personnel plan is drawn up for the whole organisation containing plans for recruitment from both the qualitative and the quantitative perspectives, and for course-format personnel training and other methods for competence development, such as job familiarisation, job rotation, civil servant exchange, mentoring, and group, team and pair working (learning opportunities). Proactive personnel planning continues in the departments where agreed policy lines steer the planning of activities for the next year. The plans are then executed at the individual level in the target and development discussions where individual development and career plans are devised. The competence models are applied to diverse task entities at department, unit and individual levels. This new procedure will be evaluated after this year's planning round.

Goal-oriented personnel training focuses on statistical skills, leadership skills, skills relating to international tasks, information technology and network know-how, customer management, and quality and project work skills. The personnel may also participate in customer training courses. Web-based methods are exploited in Statistics Finland's personnel training, whether it is multi-form training or voluntary self-studies.

The personnel participate quite widely in formal training. In 2007, the average attendance in training was 7 working days per staff year. Exclusive of pay during training, expenditure on training accounted for 2.3 per cent of the wage bill, or EUR 998 per staff year in 2007.

By nature, the compilation and development of statistics is group or project work. Co-operative capacity and interactive and communication skills are elements of professional competence. The work community is a learning environment that offers everybody the opportunity to increase their knowledge and develop their working and co-operative skills. Doing things together is the most important means of transferring knowledge, for knowledge multiplies through sharing. This becomes concretised not only in the statistics departments, units and teams but also in working groups and development projects. Learning and knowledge transfer are also given due consideration when members are selected to working groups and projects. Projects are set up, planned and implemented, as well as monitored and steered according to models given in the Project management databank. Courses on basic skills in project work and on project leadership, including steering group work, are provided as personnel training. Knowledge and best practices are also shared in internal networks, such as those of co-ordinators of official statistics, research liaison persons, website updaters, intranet editors, customer segment teams, quality management network, project management network, and developers of well-being and health and safety at work.

Voluntary studying for e.g. a professional qualification or an academic degree can be supported with flexible arrangements of working hours and by granting paid or unpaid leaves of absence for studies. The scope and type of support granted for studying depends on the extent to which the studies concerned advance professional skills and improve performance in job tasks, and promote exploitation of Statistics Finland's data files or methodological development. Over the 1994-2008 period, support for further studies was granted to 49 staff members of Statistics Finland.

The acquisition of new skills and knowledge is also sustained by close co-operation between Statistics Finland and universities. University researchers and professors act as scientific advisers and consultants in many methodologically demanding development projects. This kind of co-operation also encourages young statistical professionals to pursue careers in research and further university studies.

Likewise, development of the personnel's competence is supported by granting leaves of absence or study leaves for the purpose of acquiring work experience at home and abroad. Statistics Finland's experts have participated in the Nordic civil servant exchange programme and in other international personnel exchange and traineeship programmes.

Learning through work and sharing of knowledge are also fostered by offering challenging job tasks and encouraging internal mobility. For instance, to support career planning, a career path model is being devised, depicting supervisory and expert career paths and the skills they require. The career path model is intended to enable provision of equal benefits and rewards to those in expert and supervisory positions and promote internal mobility, both horizontally and vertically.

## RECRUITMENT SYSTEM

According to the seniority study made by Statistics Finland in 2006, an increasing proportion of the personnel will be retiring in the next few years. These will include statistical experts, IT professionals, supervisors and directors. Sufficiency of skilled personnel will be secured by the human resources plan drawn up for the 2007 to 2011 period, by the recruitment process, by improving of the agency's image as employer, by collaborating with universities and other educational institutes, and by career planning and competence development.

At Statistics Finland recruitment is a transparent process based on the agency's recruitment policy and general legislation on civil servants. All posts (incl posts of Directors) are filled by an open application procedure. The most qualified and suitable applicants on the basis of received written applications are invited to an interview with identical contents for all interviewees. The interviews are conducted by at least two persons from the recruiting department, who represent the sought for key competences. The selection process is documented as a written memorandum containing a brief description of the applicants, the grounds for his/her selection and the decision on appointment. The application documents and the appointment memoranda are public documents, except where an application contains information that may not be disclosed by virtue of law. All nomination decisions (incl those of Directors) are made by Statistics Finland.

Quite recently, Statistics Finland has adopted the central government's electronic recruitment system which aims to standardise the application procedure in order to serve government agencies and applicants better than before. The system makes the work of supervisors and human resources experts easier by cutting down on recruitment routines. The adoption of the system has changed the recruitment process of Statistics Finland, but not its recruitment policy nor the selection process.

Open posts at Statistics Finland have always attracted sufficient applicants. When needed, adequate good skills have been found from outside and Statistics Finland is viewed as an attractive employer.

The average number of applications received to any given open post has been about 20 in recent years.

Trainees, of whom Statistics Finland accommodates 50 or so per year, represent important recruitment potential. These trainees are often at the final stage of their university studies and are given the opportunity to combine their theoretical knowledge with practical statistical work. In turn, Statistics Finland gains new talent in statistical skills and methodology, maintains good relationships with educational institutes and sustains its image as a good employer. As a rule, traineeships are arranged through the trainee programmes of universities.

Statistics Finland has separate agreements with a couple of universities whose study programmes include statistical science and methodology. Statistics Finland also sponsors professorships of Helsinki University in statistics and macroeconomics. Students preparing their theses at these universities are employed for a fixed period, usually five months. The subjects of their theses are agreed so as to benefit the development of statistics and the activities of the agency. Many of these students have subsequently become permanent employees of Statistics Finland. Statistics Finland also participates in recruitment fairs organised by universities and trade unions where it gives presentations of the diverse and challenging tasks and career opportunities that exist in the field of statistics.

Internal mobility, in which members of staff switch (permanently or for a fixed time period) between units or departments, creates career advancement opportunities and is an efficient means of transferring knowledge and sharing best practices. Possibilities offered by internal mobility are also studied when recruitment needs are analysed. Targets set on internal mobility are monitored against scorecards. Internal mobility has increased in the past five years. Last year (2007), nine per cent of the personnel (excluding interviewers) switched tasks (2003: 5%).

Internal mobility is also boosted by career planning where the central objective is to give the personnel the opportunity to systematically and goal-orientedly develop their expertise at Statistics Finland in the long term. The career planning helps the employee to retain his/her labour market eligibility throughout his/her career at Statistics Finland. This is also reflected in job satisfaction and commitment to the employer. Statistics Finland wants to offer its personnel challenging and wide-ranging task entities. Career opportunities are offered to all personnel groups, i.e. professionals, experts and supervisors. The agency is currently running a special project focusing on the careers of experts. Career planning is a means of developing competence systematically also from the employer's perspective. It is a practical instrument for competence development and human resources planning.

## ORIENTATION SYSTEM OF NEWCOMERS

New recruits are introduced thoroughly to their job tasks and to the agency's activity. Statistics Finland's job orientation system is comprised of general orientation and introduction of the employing statistics department. General orientation is provided through material available in Statistics Finland's intranet and during special training days arranged for newcomers. In the introduction of the employing department, new recruits are familiarised with the organisation, activities of their specific department and with their own job tasks. Those responsible for this part of orientation are the new recruit's supervisor and a work trainer/tutor appointed by him or her for the newcomer. The trainer's work is supported with intranet pages on job orientation. The new recruit's participation in his/her own familiarisation is encouraged with a familiarisation plan which the newcomer draws up together with his/her supervisor.

Besides job orientation, as of 2006 all new recruits will participate in the training programme in statistical skills within six months of their recruitment. This training programme covers the essential

areas of statistical work and is divided into a compulsory basic part (3 months) and an optional advanced part (2 years), which can be completed at any stage of the working career (Figure 2).

The training programme contains introduction to Statistics Finland's organisation and statistics, the production process of statistics and the principles that steer statistical work. The training includes classroom teaching and e-learning, applied exercises, group work and visits. The exercises support learning by working and their central aim is to imprint quality thinking into statistical work.

The trainers include best experts from Statistics Finland and lecturers from outside the agency. The aims are transfer of knowledge from experienced employees to their juniors, increase cross-statistical co-operation and internal mobility within the agency, and learning by doing. Piloting of the advanced part is taking place in 2007-2009.

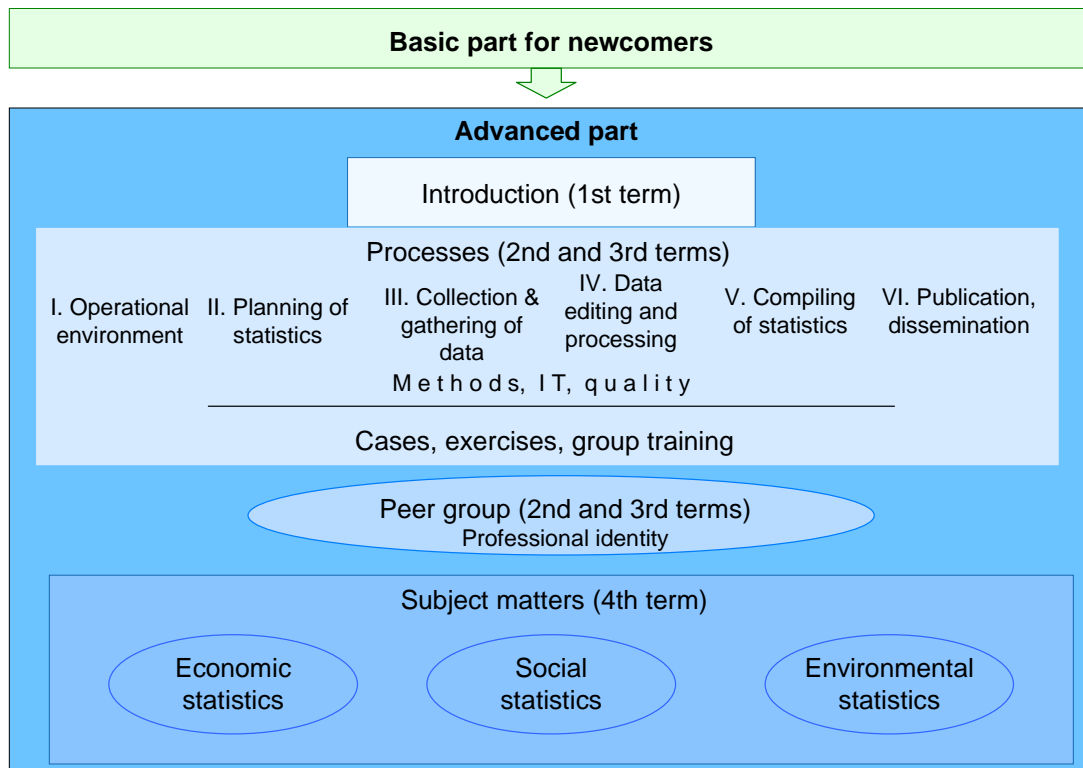


Figure 2. Training programme in statistical skills

## REWARDING - AIMING TOWARDS ENCOURAGEMENT AND FAIRNESS

Fair and encouraging rewarding forms part of the agency's management policy. It is based on the State's general personnel and pay policy and on Statistics Finland's own operative targets. Rewarding is both material (pay, pay supplements, one-off bonuses) and immaterial (non-monetary awards and acknowledgements). Rewarding is linked with the giving and receiving of feedback for productive work. Feedback is also given as part of the daily work and activity of the work community. Overall feedback on the activity of the previous period is given in the annual appraisal discussions.

The current pay system of Statistics Finland was introduced in 1998. Pay is scaled according to the competence requirements of work, which are determined by the demands imposed by it on its performer and its relative value compared to other job tasks and results from activity (fairness). Pay

is also dependent on the work performance and qualifications of an individual (encouragement). A better performance at the same competence requirement level must result in higher remuneration.

The principles governing the application of the remuneration system have been specified and are openly available to everybody in the Handbook on compensation of employees. Managers and supervisors are responsible for ensuring that the remuneration system is applied and functions efficiently. The competence requirements of a task are assessed when a new task is being defined or when essential changes are being made to an existing one. Competence requirement assessments are made by directors with the consultation of a department's working group lead by the director. Personal work performances are assessed annually in the appraisal discussions between supervisors and subordinates.

Statistics Finland's pay system and pay policy are monitored and developed by a working group comprised of representatives of the agency and the trade unions of its employees. A future development challenge of the remuneration system comes from the need to improve pay competitiveness on the labour market. In 2007, the agency made special efforts to improve the competitiveness of its remuneration in management and experts tasks.

## WELL-BEING - AIMING TOWARDS GOOD WORK CAPACITY AND EFFECTIVE WORK COMMUNITIES

During spring 2008, a model has been drafted for occupational well-being. The model contains descriptions of the related targets, actions, actors and measures. The model has links to the agency's operational strategy, Personnel 2010 programme and Action Plan on health and safety at work. Occupational well-being comes from well performed and managed work, so it has connections with the planning and monitoring of activities.

Supervisory work is decisive to the productiveness of activities and to balanced development of the personnel's well-being. The management and supervisors are responsible for building the preconditions and structures for activities. Their task is to create working conditions which maintain and nurture the physical and mental work capacity of people. Today, managers and supervisors have been offered in-house training courses on how to address challenging and troubled work situations.

Approximately 94 per cent of Statistics Finland's personnel have permanent employment contracts. Security of employment now and in future helps in reconciling work and family life, and thereby maintains and promotes coping and well-being at work. Work can be organised through flexible hours and leaves of absence. The personnel are committed to their work, for the exit turnover has stayed low. Around 36 per cent of the personnel have been at the service of Statistics Finland for over 24 years (average number of years of service in 2007 was 17.5), so abundant experience-based knowledge has accumulated through the years.

Efficient measures on health and safety at work require co-operation. The responsibility for their implementation is dispersed among all members of the work community, but with varying contents. Statistics Finland has a two-year Action plan on health and safety at work, which is a general plan compliant with the Finnish Occupational Safety and Health Act for the management of health and safety matters at work. The Action plan is put into practice by an annually drawn up implementation plan, which comprises action plans for occupational safety, occupational health care, and performance agreements.

Statistics Finland gives strong support to the maintenance of the physical well-being of its personnel by providing physical exercise services co-ordinated by an exercise instructor, such as exercises during breaks from work, lunch-time exercise groups, gym instruction, personal training, and compilation of fitness programmes and monitoring of progress in them. Projects on well-being are

prepared by diverse working groups, such as those on well-being at work and on rehabilitation and ergonomics. Physical exercise and leisure activities are also co-ordinated by the personnel's own cultural and sports club.

The personnel are entitled to preventive occupational health care and medical care for an illness paid for by the employer and offered by an external provider of occupational health care services. Apart from medical care, occupational health care also includes workplace inspections, health check-ups of new recruits and periodic, voluntary check-ups of employees over the age of 40, and recommendations for rehabilitation and physical exercise for diverse employee groups according to their special needs.

Statistics Finland also has a long history in concerted efforts to improve mental well-being at work. The first action plan to improve coping at work was drawn up in the 1990s, and at the turn of the millennium this was then refined into a set of intranet pages under the heading "Lifesaver", forming an operative model and databank for mental well-being. Its purpose is to assist early solving of problem situations arising at work on different topics. The Lifesaver has since been expanded to a set of pages entitled "Port of well-being at work", which contains all guidelines, plans and monitoring measures relating to well-being at work.

## LEADERSHIP - AIMING TOWARDS CO-OPERATION AND PROFESSIONALISM

Since the turn of the millennium Statistics Finland has been systematically developing leadership and supervisory work towards co-operation and professionalism. In 2003, the Director General launched a project on the development of leadership and supervisory work, which defined the tasks, roles, responsibilities and mandates relative to supervisory work, and its competence model. Basing on made proposals, measures aimed at improvement of leadership and supervisory work were initiated in 2005.

The focus in the development has been on people management, especially supervisory work within a work unit and improvement of preconditions for it. The following measures were implemented in 2005:

- Organisation of departments into units was reviewed to better match the requirements of professional supervisory work and two departments were reorganised completely
- The document "Management policy at Statistics Finland – Together towards a common goal", supporting uniform management culture was ratified
- Responsibilities of supervisors were clarified and their power of decision in personnel matters was increased in the rules of procedure
- Criteria and guidelines were specified for evaluating supervisors' personal work performances
- Supervisors' skills were evaluated with 360° analyses
- Supervisors attended personal sparring events
- Practice of joint meetings of managers and supervisors was started
- Coaching programme for supervisory work was started in 2005.

The first version of a manual on supervisory work was published on the intranet in March 2006 to support supervisors in their work and consolidate uniform practices. Evaluations of supervisory work will be made from time to time with 360° analyses and with the annual Personnel Surveys. Achieved progress was assessed during spring 2008, and the 360° analyses, the Personnel Survey and an inquiry conducted among supervisors support the notion that leadership has been developing in the right direction. An electronic inquiry for feedback on supervisory work will replace the 360° analyses in autumn 2008.

Managing at the agency is co-operative. The personnel are given the opportunity to use their expertise to develop their work in line with set goals. Managing also entails giving the personnel the



possibility to access public information and participate in public debate on work, working conditions and management. For this reason, separate goals have been set for interaction, information flow and communication: regular meetings must be held at the department and unit levels to discuss matters relating to co-operation, work contents and development. Additionally, all units are to perform annual self-evaluations to maintain and improve the quality of their activity and processes.

In 2007, Statistics Finland was awarded as year's best developer of the work community among Finnish State offices and institutions. The award was granted in recognition of sustained and fruitful work on improving occupational well-being, human resources management and especially the system of leadership and supervisory work.

## MONITORING OF THE PERSONNEL 2010 PROGRAMME

A scorecard of personnel strategy has been drawn up to support monitoring of the Personnel 2010 programme. It contains the key twenty actual and predictive measures derived from the personnel strategy, together with their target levels, and time series describing development. The target levels are set by the agency's Management Group, which also makes regular analyses of development and decisions about measures.

The agency's annual report contains a summary about personnel matters. A human resource account is annexed to the annual report and describes activities in the reviewed year with abundant quantitative measures and qualitative accounts by the areas of emphasis set in the Personnel 2010 programme. The source data derive from the personnel management's extensive information systems.

The personnel's job satisfaction and views are measured with a web-based Personnel Survey, which has been conducted annually since 1998. The survey contains questions from the common job satisfaction barometer of central government agencies, and supplementary questions compiled at Statistics Finland. Besides Statistics Finland, the barometer is also utilised by other organisations within the State Administration, so it generates useful comparison data on development in central government in general. The results from the Personnel Survey are analysed extensively both at the level of the whole agency and in its departments. The results are utilised in the development of activities and setting of new targets.

## IN CONCLUSION

The Personnel 2010 programme with its areas of emphasis has proven to function well as a strategic policy outline for Statistics Finland's human resources management. The programme has been used systematically as a basis in the planning and implementation of diverse measures concerning the personnel. Information obtained through monitoring and the performance measures with their target levels have also shown to be good solutions for evaluation and further development of human resources management.

The timeliness and efficiency of the programme has been scrutinised continuously. Revisions will be made to it to make it capable of responding to new contentual and structural challenges arising from Statistics Finland's revised operational strategy, the State Administration's productivity programme and the ever changing operating environment.