#### MESSAGE

The Hong Kong Civil Service is a cornerstone for maintaining Hong Kong's stability and prosperity. We strive to foster a dynamic, visionary and knowledge-based Civil Service for delivery of quality service to the community through a clean, trustworthy and fulfilled workforce.

The Civil Service Reform launched in March 1999 has enabled the Civil Service to deliver its services more flexibly and efficiently through implementation of a comprehensive



framework of initiatives to modernise the management of the Civil Service. We have sustained the Reform momentum. Our efforts in the past year have set in train the implementation of the Voluntary Retirement Scheme for 59 grades and the Management Initiated Retirement Scheme for directorate officers, the development of a Civil Service Provident Fund scheme, the implementation of a pilot scheme on team-based performance rewards, the initiation of a three-year training and development programme and the establishment of a streamlined disciplinary machinery.

In the coming year, we shall see through the implementation of the Reform measures currently underway and consolidate our achievements. We shall ensure that the new entry system and exit arrangements, the revised benefits package, performance-based rewards and increased training opportunities will collectively support an aspiring and dedicated Civil Service which will become leaner and more efficient. We are on course to achieve the target of reducing the establishment of the Civil Service from the previous estimate of 198 000 as at 31 March 2000 to 181 000 by 31 March 2003.

To further modernise the Civil Service management system, we shall embark on a major review of the civil service rules and regulations to identify further scope for simplification and streamlining of procedures as well as to explore the scope for further shortening the processing time for disciplinary cases. The aim is to enhance Civil Service efficiency and to achieve economy of resources through devolution of responsibilities within the Civil Service Bureau and to bureaux/departments. We shall take forward our initiatives through thorough consultation with departmental management and the staff sides. In the process, we shall also take full account of the community's expectations for better service, increased transparency and greater accountability of the Civil Service.

We have set out in this booklet five Key Result Areas which we aim to achieve through the action plans drawn up under 11 new initiatives.

We welcome your comments and suggestions on our Policy Objective and initiatives.

(Joseph W P Wong)
Secretary for the Civil Service

### **Management of the Civil Service**

Policy Objective and Key Result Areas

### Management of the Civil Service

Our Policy Objective is to ensure that the Civil Service is honest, trustworthy, efficient and provides high quality service to the public.

#### **Overall Targets**

Our targets this year in pursuing this Policy Objective are -

- that the Civil Service remains and is seen by the public to be honest and trustworthy
- that the Civil Service meets community needs for quality service in an efficient manner

### **Progress**

In 2000-2001, we have taken forward further initiatives to modernise the management of the Civil Service in line with proposals set out in the Civil Service Reform Consultation Document. We completed Stage 1 of the consultancy study on the design of a Civil Service Provident Fund Scheme which provides a sound base for development of the details of the scheme for civil servants recruited under the new terms with effect from June 2000. We have set aside \$50 million for a three-year training and development programme to promote self-development and continuous learning in the Civil Service, as well as to provide tailor-made programmes for the remaining staff of the 59 Voluntary Retirement grades to facilitate their redeployment and job transition. We have also launched a team-based performance rewards scheme in selected voluntary departments to test the feasibility and viability of introducing performance-based pay elements into our system. For the first phase of the scheme, we have focused on six departments. We shall consider the way forward in the light of the experience gained from the first phase.

We achieved the following progress in five Key Result Areas (KRAs).

### 1 Modernise the policy and practice applicable to the management of the Civil Service

We completed Stage 1 consultancy study on the proposal to set up the Civil Service Provident Fund scheme and conducted a public consultation exercise on the proposed design options in early 2001. Having regard to suggestions and views received during the consultation exercise and our established objectives of setting up the scheme, we finalised the broad design principles of the scheme in July 2001. We shall embark on Stage 2 of the study to work out the implementation details of the scheme. Our target is to have the scheme in place in 2003.

As part of our efforts to modernise the civil service allowance policies, we have reviewed the overtime and related allowances and implemented changes.

About 9 000 applications for retirement under the Voluntary Retirement (VR) Scheme for 59 designated grades where there is identified or anticipated staff surplus were approved. The successful applicants are being released progressively between 2001 and 2003. A general recruitment freeze will be imposed on the VR grades for five years.

### 2 Equip staff with the skill, knowledge and ability to deliver an efficient service to the community

The Cyber Learning Centre (CLC) launched in March 2000 provides civil servants with anywhere-anytime access to a wide variety of learning resources through the Internet. Within the year, we registered 14 000 CLC users. The content and capacity of the CLC will be upgraded, with the aim of becoming a Learning Portal for the provision of enhanced e-learning facilities for an increasing number of users.

Apart from promoting cyber learning, we also have been actively promoting a life-long learning culture. The promotion of continuous learning is one of the main themes of the three-year Training and Development Programme which we launched for civil servants in April 2001. An additional 90 000 training places will be provided through the Programme, with particular attention being given to the needs of junior civil servants. The Programme will also provide learning opportunities for staff in support of various Civil Service

Reform initiatives and in relation to the implementation of the VR exercise. Schemes to encourage self-learning and to strengthen learning resources have also been launched.

We continued to promote the exchange of ideas and experiences with the private sector and other governments through seminars, conferences and meetings. In April 2001, we organised a service-wide Learning Symposium cum Exhibition to launch the three-year Training and Development Programme and to promote a continuous learning culture. Through regular visits and training courses, our civil servants gained a better understanding of various aspects of the Mainland systems. The third Advanced China Studies programme was organised in collaboration with the National School of Administration in September 2001.

We also continued to enhance leadership development and change management training for civil servants at all levels. This includes the Leadership in Public Sector Programme and the Leadership Enhancement and Development Programme conducted by the John F Kennedy School of Government of Harvard University.

In parallel, the Official Languages Agency (OLA) has continued to work with bureaux/departments to facilitate the use of official languages. The OLA has developed an Internet version of the Electronic English-Chinese Glossary of Terms Commonly Used in Government Departments for use by civil servants and the public.

#### 3 Promote a culture focused on achieving results

Over 8 500 staff attended customer service training courses during the 12 months from October 2000 to September 2001. We allocated \$3 million to assist departments with their initiatives aimed at enhancing a customer focused culture. We launched a service-wide Customer Service Award Scheme in 2000 to recognise staff achievements in customer service and further promote this culture in the Civil Service. The Efficiency Unit also organised a series of facilitated workshops to assist departments to put in place relevant performance measurement frameworks as published in their Step-by-Step Guide to Performance Measurement.

We continued to provide support to departments conducting Human Resource Management (HRM) reviews and initiatives. We met the senior management in departments regularly to discuss HRM initiatives. Our aim is to help develop and promote a customer-based service culture in the public sector and achieve greater openness and accountability in the Government.

#### 4 Uphold the integrity of the Civil Service

We worked closely with the Independent Commission Against Corruption (ICAC) and Heads of Departments to promote anticorruption practices. In October 2000, we issued a handbook on "Ethical Leadership in Action" providing handy reference for senior managers to strengthen ethical values among their staff and to guard against corruption in their organisations.

Seminars and training sessions were organised to raise awareness of the integrity standards expected of civil servants. Since early 1999, we have arranged about 1 500 training sessions on integrity for over 40 000 civil servants.

We also reviewed central guidelines on acceptance of advantages and conflict of interest and would update them in the light of present-day circumstances. Through outreaching visits to 67 government departments in 1999 to 2001, we provided assistance to departmental management in reviewing and developing departmental guidelines on integrity management.

We have plans to launch, in November 2001, experience-sharing workshops for departmental managers on implementation of departmental integrity programmes. To enable departmental managers to have ready access to ethics development materials and to facilitate sharing of information and experience amongst government departments, an electronic information and resource centre on integrity management will be set up by the end of 2001.

Following the implementation of streamlined disciplinary procedures and the setting up of the Secretariat on Civil Service Discipline in April 2000, the processing time of disciplinary cases has been shortened by up to three months. We will continue to explore ways to further shorten the processing time.

### 5 Promote staff well-being

We are committed to consulting staff on any major changes which affect their conditions of service. We met regularly with the four Central Consultative Councils to ensure effective communication with staff. We also promoted direct communication with the senior management of departments through regular gatherings. The Secretary for the Civil Service has a weekly programme of visiting departments where he meets with departmental management as well as staff representatives.

We continued to promote occupational safety and health in the Civil Service. We organised a series of promotional activities on a quarterly basis in 2001, including nine experience-sharing seminars on driving safety, two talks on violence at work, and one seminar on Safety Management System. Continuous effort will be made to organise similar activities to strengthen awareness of occupational safety and health in the Civil Service.

To help government departments implement Safety Management Systems, consulting services and financial assistance are provided to departments. Bureaux/departments are also encouraged to organise training and promotional activities on occupational safety and health specific to their requirements in ensuring the safety and health of staff.

The second and final phase of the two-year pilot scheme to provide professional counselling service to help staff cope with stress was successfully completed. Under this phase, the scheme was expanded to cover all staff except those already covered by in-house/departmentally procured counselling services. Some 120 000 staff working in 82 departments and bureaux had access to the service for six months from September 2000 to February 2001. A review of the two-year pilot scheme is underway.

Progress on each previously announced initiative under the above KRAs is set out in the "Detailed Progress" section of this report.

### **Looking Forward**

To achieve our overall targets this year, we will undertake the following initiatives and targets under each of the KRAs for the coming year.

# 1

## Modernise the policy and practice applicable to the management of the Civil Service

To maintain a cost-effective Civil Service which is capable of meeting community needs for quality service, we need to ensure that our management policies and practices are constantly reviewed and improved in line with present-day circumstances.

We will assess our performance in respect of this KRA against the following indicator –

 Extent to which the management of the Civil Service may be enhanced through implementation of revised policies and new initiatives. Our target is to implement smoothly the outcome of recent policy reviews in the areas of appointment, performance management, pay, conditions of service, discipline and training.

Initiative *	Target
To study and explore the feasibility of developing a new medical and dental benefits scheme for new recruits	To complete the feasibility study by early 2003
(Civil Service Bureau (CSB))	
To review the implementation of the Voluntary Retirement Scheme (CSB)	To complete the review by mid-2002
To explore the feasibility of widening the use of a common language examination by different grades which recruit degree holders (CSB)	To complete the feasibility study by mid-2002

<sup>\*</sup> the bracketed information denotes the agency with lead responsibility for the initiative

## Equip staff with the skill, knowledge and ability to deliver an efficient service to the community

Civil servants need to have the skills, knowledge and ability to provide to the community the range and level of services which it expects. The Civil Service Training and Development Institute (CSTDI) together with departmental training units provide extensive training and development programmes and advisory services.

We will assess our performance in respect of this KRA against the following indicator –

• Extent to which the Civil Service has been trained to meet service requirements. Our target is to provide an additional 90 000 training places through the three-year Training and Development Programme from 2001-2002 to 2003-2004.

Initiative	Target
To promulgate guidelines for departments and grades to draw up their annual training and development plan  (Civil Service Bureau (CSB)/Civil Service Training and Development Institute (CSTDI))	To assist departments and grades to draw up their training and development plans by developing and promulgating a Guide on Formulation of Annual Training and Development Plan, and organising workshops and experience-sharing sessions in early 2002
To publish a Directorate Personal Development Guide to encourage directorate officers to draw up their Personal Development Plan so that they can lead by example the culture of continuous learning in the Civil Service  (CSB/CSTDI)	To distribute a Personal Development Guide to all directorate officers by early 2002

### Promote a culture focused on achieving results

In order to serve the community effectively, the Civil Service must adopt a client-based and outcome-oriented approach to service provision. We consider that simplification/streamlining of procedures and further delegation of authority on civil service management matters from the Civil Service Bureau to other bureaux and departments will enable the Civil Service to provide service more effectively and efficiently.

We will assess our performance in respect of this KRA against the following indicator –

Extent to which the customer-focused culture may be enhanced.
 Our target is to encourage civil servants to provide quality services to members of the public.

Initiative	Target
To review civil service rules and procedures with a view to identifying further scope for delegation of authority on civil service management matters from the Civil Service Bureau to other bureaux/departments and for simplification/streamlining of procedures	To complete the review in 2002
(Civil Service Bureau (CSB))	
To organise a "Customer Service Excellence Award" Scheme to further promote a quality service culture in the Civil Service	To organise an award presentation cum exhibition in early 2002
(CSB)	

#### Uphold the integrity of the Civil Service

An honest, trustworthy and impartial Civil Service is a cornerstone of our society. We are committed to upholding the highest standards of honesty and integrity throughout the Civil Service.

We will assess our performance in respect of this KRA against the following indicator –

• Number of programmes organised to promote good conduct in the Civil Service. Our target is to organise a major promotional programme for senior managers in 2002 and to assist departments, through training and publicity programmes in 2002-2003, in reinforcing the culture of probity amongst civil servants.

Initiative	Target
Together with the Independent Commission Against Corruption (ICAC), to provide assistance to government departments to sustain a culture of probity through the civil service integrity management programme  (Civil Service Bureau (CSB)/ Independent Commission Against Corruption)	<ul> <li>To organise jointly with the ICAC a forum on current integrity challenges for senior government officials in 2002</li> <li>In collaboration with the ICAC, to assist departments, through training programmes and publicity efforts in 2002 and 2003, to reinforce the culture of probity among civil servants</li> </ul>
To explore the scope for further shortening the processing time of disciplinary cases (CSB)	To complete the review and implement further streamlined procedures in 2002

Initiative	Target
To review the existing performance management and disciplinary rules and introduce measures to enhance management responsibility at the supervisory level in the Civil Service (CSB)	To complete the review and implement measures in 2002

#### Promote staff well-being

A safe and healthy working environment is conducive to staff well-being and will enhance team spirit. We recognise that we must actively promote the safety and health of staff at work.

We will assess our performance in respect of this KRA against the following indicators –

- Extent to which injuries and accidents at work can be reduced through better awareness of health and safety issues. Our target is to organise at least four promotional activities in 2002.
- Extent to which Safety Management Systems are being introduced in the Civil Service. Our target is to provide support and assistance to all departments in the implementation of Safety Management Systems.

Initiative	Target
To strengthen promotional programmes and training to enhance awareness of the importance of safety and health of staff at work  (Civil Service Bureau)	To organise a series of seminars and exhibitions to enhance staff's awareness of job-related hazards and promote implementation of precautionary measures against potential hazards at work in 2002

# Management of the Civil Service Detailed Progress

# Modernise the policy and practice applicable to the management of the Civil Service

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative *	Target #	<b>Present Position</b> <sup>+</sup>
To strengthen training and development programmes to support the Civil Service Reform Initiatives, including training of staff for redeployment (Civil Service Bureau (CSB)/Civil Service Training and Development Institute)	To launch a three-year programme from 2001-2002 to 2003-2004 to help civil servants to —  • develop a self-development and learning culture to cope with the rapid changes associated with a knowledge-based and technology-oriented society and to keep in step with the enhanced service culture in the Civil Service Reform	<ul> <li>A series of activities/initiatives have been launched since April 2001 to develop a continuous learning culture in the Civil Service, including</li> <li>the organisation of a service-wide Symposium cum Exhibition to promote continuous learning in April 2001</li> <li>the introduction of the Training Incentive Scheme to provide financial incentives to civil servants to embark on self-initiated and employment-related external studies</li> </ul>

- \* the bracketed information denotes the agency with lead responsibility for the initiative
- # the bracketed information denotes the year in which the target was set
- the bracketed information denotes the status of the target

Initiative	Target	<b>Present Position</b>
		<ul> <li>the upgrading of CSTDI Cyber</li> <li>Learning Centre</li> <li>(CLC) to offer various</li> <li>new features to an</li> <li>increasing number of</li> <li>users</li> </ul>
		<ul> <li>the provision of financial assistance and advisory services to bureaux/ departments to strengthen their learning infrastructure, and related training facilities</li> </ul>
	<ul> <li>develop the necessary skills and knowledge to meet the latest service requirements</li> </ul>	<ul> <li>Seventy training seminars/courses have been organised.</li> </ul>
	• cope with job transition and redeployment for staff in individual grades (2000)	• A total of 270 seminars/ courses have been organised to prepare staff affected by the Voluntary Retirement exercise to cope with job transition and redeployment.
		(Action in Progress: On Schedule)

Initiative	Target	<b>Present Position</b>
To develop a Civil Service Provident Fund scheme as a new retirement benefits system for recruits to the Civil Service (CSB)	• To complete a consultancy study on the design of a Civil Service Provident Fund scheme	• The consultancy study has been separated into two stages, focusing on broad design parameters and options as well as implementation details. We completed Stage 1 of the consultancy study and conducted the consultation in early 2001.
	• To take forward a Civil Service Provident Fund scheme for recruits (1999)	• We have finalised the design principles of the Civil Service Provident Fund scheme having regard to suggestions and views received during the consultation exercise and our established objectives of setting up the scheme. We shall embark on Stage 2 of the study to work out the implementation details of the scheme. Our target is to have the scheme in place in 2003.  (Action in Progress: On Schedule)
To modernise the appointments policy by introducing greater flexibility in the entry system  (CSB)	To formulate and promulgate guidelines and criteria on the new entry system and appointment terms (1999)	The new entry system for new recruits has been introduced since 1 June 2000. It has enabled departments and grades to seek variations to the basic entry system to meet their needs and circumstances.  (Action Completed)

Initiative	Target	<b>Present Position</b>
To review the exit arrangements to meet present-day circumstances (CSB)	To streamline the procedures for the removal of non-performers (1999)	We have completed a review of the existing procedures for the removal of non-performers. We will consult the staff sides on the streamlining proposals before implementation.  (Action in Progress: On Schedule)
To update the policy and practices governing the payment of various job-related allowances and overtime and related allowances (CSB)	To complete a review and implement any changes (1999)	The CSB reviewed the overtime and related allowances and implemented changes. The Standing Commission on Civil Service Salaries and Conditions of Service and the Standing Committee on Disciplined Services Salaries and Conditions of Service also completed a review on civil service job-related allowances in mid-2000. We will consult staff and departmental management on the job-related allowances.  (Action in Progress: On Schedule)
To develop a strategy to streamline the provision of clerical services within Government (CSB)	• To implement the strategy with effect from 2000	• Through the streamlining of office practices and procedures, we have deleted some 400 clerical posts in 2000-2001, resulting in salary savings of \$63 million per annum

Initiative	Target	<b>Present Position</b>
	• To assess regularly the effectiveness of the new strategy in meeting departments' needs for clerical services from 2000 (1998)	• We have maintained close liaison with the departmental management through briefings on manpower planning and goodwill visits and regular attendance at meetings of 30 General Grades Consultative Committees to promote the development of a more flexible and effective clerical workforce. We have deleted a further 600 clerical posts as a result of implementation of computerisation, re-organisation and re-engineering projects. We have also mapped out a comprehensive training programme to upgrade the computer capability of clerical staff and to enhance staff skills in human resources management, language proficiency as well as to inculcate culture and mindset change to prepare them to meet the changing demands of their jobs.  (Action in Progress: On Schedule)

Initiative	Target	<b>Present Position</b>
To set up a review board to advise the Chief Executive on certain representations addressed to him relating to appointment, dismissal and discipline of civil servants as he thinks fit (CSB)	To establish the framework for the review board in 1998 (1997)	We are reviewing the framework in the light of the streamlined disciplinary procedures and the nature of representations from civil servants to the Chief Executive. We aim to complete the review and work out appropriate measures to take it forward.  (Action in Progress: Under Review)

# Equip staff with the skill, knowledge and ability to deliver an efficient service to the community

To achieve results in this area, the following initiative has been undertaken in the past year. Details are set out below –

Initiative	Target	<b>Present Position</b>
To develop an Internet version of the Electronic English-Chinese Glossary of Terms commonly used in government departments for use by civil servants and the public (Official Languages Agency)	To complete the project by September 2001 (2000)	The 21 volumes of glossaries under the series "An English-Chinese Glossary of Terms Commonly Used in Government Departments" have been uploaded onto the website of the Official Languages Agency. Civil servants and members of the public may browse the glossary terms which are arranged in alphabetical order on the Internet.  (Action Completed)

3

### Promote a culture focused on achieving results

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below -

Initiative	Target	<b>Present Position</b>
To produce a 13-part TV series on dedicated civil servants serving the community (Civil Service Bureau (CSB))	To launch the TV series in late 2001 (2000)	Radio Television Hong Kong has been commissioned to produce the series. Shooting of the series has started. (Action in Progress: On Schedule)

Initiative	Target	<b>Present Position</b>
To introduce progressively elements of a performance-based reward system into the Civil Service (CSB)	To initiate trial schemes in selected departments and grades (1999)	We announced in October 2000 our plan to introduce a pilot scheme on teambased performance rewards. Departments are invited to participate in the scheme on a voluntary basis. For the first phase of the scheme, we have focused on six departments. With the assistance of consultants, these six departments have drawn up or are in the process of drawing up their reward schemes to suit their operational and staffing situation.  (Action in Progress: On Schedule)
To publish more thematic guide books on key Human Resource Management issues including appointments, staff relations and staff motivation (CSB)	To publish three more guide books in 1999-2000 (1998)	<ul> <li>The guide books on staff relations and staff motivation have been published.</li> <li>Following the finalisation of the entry system for new recruits under the Civil Service Reform in June 2000, we have finalised the drafting of the guide book on appointments for publication in 2001.</li> <li>(Action Completed)</li> </ul>

Initiative	Target	<b>Present Position</b>
To promulgate a new performance measurement framework with the emphasis on achieving results (CSB/Efficiency Unit)	To promote the new framework in 1999 and to get departments to adopt the new framework by 2000-2001 (1998)	A Step-by-Step Guide to Performance Management was launched and issued to civil service managers in January 2000. Workshops were organised to assist managers to use the Guide. Additional workshops will be organised where necessary. (Action Completed)

### Uphold the integrity of the Civil Service

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	<b>Present Position</b>
To promote civil service integrity jointly with the Independent Commission Against Corruption (ICAC) by assisting government departments to implement departmental integrity programmes  (Civil Service Bureau (CSB))	• To set up an electronic information and resource centre to facilitate departmental managers to access ethics development materials such as rules and regulations on integrity management in 2001-2002	• An electronic information and resource centre on civil service integrity management will be set up by the end of 2001 to facilitate departmental managers to access ethics development materials.
	• To organise, in conjunction with the ICAC, workshops or experience-sharing sessions for departmental managers on common integrity issues in 2001-2002 (2000)	• The seminar cum workshops jointly organized with ICAC for departmental managers will be held in November 2001.  (Action in Progress: On Schedule)

Initiative	Target	<b>Present Position</b>
To conduct the second phase of the Civil Service Integrity Programme (CSB)	• To approach the remaining 46 departments and help them review or develop, where appropriate, their departmental guidelines on avoidance of conflict of interest in 2000-2001	• We have visited all the remaining 46 departments and provided assistance to them in reviewing or developing departmental guidelines on avoidance of conflict of interest.
	• To provide advice and support to the ICAC and Heads of Departments and Grades in organising training seminars on avoidance of conflict of interest in 2000-2001	• Nine hundred training sessions have been organised in departments in 2000-2001.  (Action Completed)

### **Promote staff well-being**

To achieve results in this area, various initiatives have been undertaken in the past year. Details are set out below -

Initiative	Target	<b>Present Position</b>
To organise a series of experience-sharing activities to encourage continuous improvement and to promote a culture on safety and health at work  (Civil Service Bureau (CSB))	To organise experience- sharing activities on a quarterly basis in 2001 (2000)	Experience-sharing seminars on driving safety, violence at work and implementation of Safety Management Systems in government departments are organised on a quarterly basis in 2001. So far, 12 seminars have been held and three are being planned for the next quarter.  (Action Completed)
To provide assistance to government departments for implementation of Safety Management Systems in the Civil Service (CSB)	To assist all government departments to implement and promote Safety Management Systems through the provision of consulting services, promotional activities and training in 2001 (2000)	Assistance has been provided to two government departments to engage consultancy services to develop their Safety Management Systems. One department has successfully developed a system and the other is expected to complete the project by end-2001. The experience and knowledge acquired by the two departments will serve as useful reference to other departments in the implementation of Safety Management Systems.  (Action Completed)

Initiative	Target	<b>Present Position</b>
To provide auditing service on Safety Management Systems implemented by departments (CSB)	To introduce the auditing service in 2000 for the purpose of encouraging continuous improvement (1999)	Auditing service on Safety Management Systems implemented by departments is provided. Promotional efforts will continue.  (Action Completed)