MESSAGE

With the approach of a new millennium, it is essential that the Civil Service keeps pace with the community it serves. To meet this objective, we seized the opportunity to review and to modernise the current Civil Service management system.

We are committed to ensuring that the Civil Service is trustworthy, efficient and serves the needs of the community.

We have set out in this booklet five Key Result Areas which we aim to achieve through the action plans drawn up under the 14 new initiatives.

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

(W K LAM)

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Secretary for the Civil Service

Management of the Civil Service

Our Policy Objective is to ensure that the Civil Service is trustworthy, efficient and serves the needs of the community.

Our targets this year in pursuing this Policy Objective are –

- that the Civil Service remains and is seen by the public to be trustworthy
- that the Civil Service meets community needs for quality service in a cost effective way

Progress Made

In 1999, we rolled out the Civil Service Reform Consultation Document which contains a comprehensive framework to modernise the management of the Civil Service. Following the conclusion of an extensive consultation exercise and in the light of the feedback received, we are now formulating detailed proposals on specific areas. We will work closely with departmental management and the Staff Sides to implement the various proposals with a view to enhancing the efficiency and flexibility of the Civil Service and at the same time maintaining its integrity and stability.

Meanwhile, we have been working closely with departmental management and the Independent Commission Against Corruption to promote a Civil Service Integrity Programme.

In response to our invitation, the Standing Commission on Civil Service Salaries and Conditions of Service conducted a review on Civil Service starting salaries. The review has been completed. We are now discussing with departmental management and the Staff Sides proposed adjustments to the starting salaries. We aim to introduce the revised salaries to the new batch of Civil Service recruits following the lift on recruitment freeze.

KEY RESULT AREAS (KRAS)

To ensure that this Policy Objective can be achieved, we must deliver results in a number of areas, that is, we must –

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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.

Progress Made

We introduced a unified set of terms and conditions (common terms) for all new appointments to the Civil Service as from 1 January 1999.

We developed a strategy to streamline the provision of clerical services with a view to enhancing productivity and achieving savings of staff resources.

To ensure that existing entry benchmarks are still comparable to those of the private sector, the Standing Commission on Civil Service Salaries and Conditions of Service has conducted a review of starting salaries in the Civil Service.

To enhance flexibility to Heads of Departments to hire short-term staff to meet changing service needs, we reviewed the policy on employment of temporary staff and issued a revised set of guidelines on employment of non-civil service contract staff in January 1999.

We issued a Consultation Document on Civil Service Reform in March 1999 to solicit views on the overall framework of the reform of the Civil Service. We completed the consultation in June 1999 and are now proceeding with more detailed discussion with departmental management and the Staff Sides on individual aspects.

| Initiative * | Target # | Present Position + |
|--|---|--|
| To modernise the appointments policy by making it more flexible (Civil Service Bureau (CSB)) | To complete a comprehensive review of the policy on the offer of pensionable, agreement, and temporary terms by 1999 To implement the proposed changes gradually, beginning from 1999 (1998) | We have completed the first stage consultation on Civil Service Reform on our initial proposals for the reform of the civil service entry and exit system in March to June 1999. We have commenced the second stage consultation on detailed proposals for reforming the Civil Service entry and exit system to make it more flexible. We have reviewed the policy on employment of temporary and short-term staff and promulgated a set of guidelines on the employment of non-Civil Service staff to provide greater flexibility to heads of departments to meet their service needs. (Action in Progress: On Schedule) |
| To develop a strategy to streamline the provision of clerical services within Government (CSB) | To develop a strategy by March 1999 To implement the strategy with effect from 2000 To assess regularly the effectiveness of the new strategy in meeting departments' needs for clerical services from 2000 (1998) | We have developed a strategy to streamline the provision of clerical services with a view to enhancing productivity and achieving savings of staff resources. Departments have worked out their initial plans for rationalising the provision of clerical services in pursuance of the objectives under the Enhanced Productivity Programme. We have examined the extent to which their needs can be catered for. |

- 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 | Present Position |
|--|--|--|
| | | • Through the streamlining of office practices, procedures and the provision of clerical services, we aim to delete some 400 clerical posts (tentative figure) in 1999-2000. This is a further step forward to reduce the clerical establishment which will result in substantial savings in staff cost. |
| | | • To foster staff-management communication on matters related to the implementation of the strategy and other grade management issues, General Grades Consultative Committees are being set up in various departments. |
| | | (Action in Progress: On Schedule) |
| To update the policy on prevention of double housing benefits for civil servants to suit present day circumstances (CSB) | To complete a review of the policy by March 1999 To introduce proposed changes, if any, by September 1999 (1998) | A review of the policy on prevention of double housing benefits for civil servants has been completed. The existing policy ensures the efficient use of Government resources and the review concluded that no change to this policy is required. (Action Completed) |
| To review the provision of minor housing-related benefits (CSB) | To complete the review in March 1999 (1998) | We have ceased the provision of minor housing-related benefits to recruits who are offered appointment on or after 1 May 1999. (Action Completed) |
| To remove the existing differences between local and overseas terms of appointment, in line with present day circumstances (CSB) | To start to implement a new common set of terms of appointment and conditions of service for the Civil Service in 1998 (1997) | A common set of terms of appointment and conditions of service for all new recruits was implemented with effect from 1 January 1999. (Action Completed) |

| Initiative | Target | Present Position |
|--|---|---|
| To ensure that existing entry benchmarks are still comparable to those of the private sector (CSB) | To review in 1998 the system of qualification benchmarks (1997) | The Standing Commission on Civil Service Salaries and Conditions of Service has submitted to the Government its findings and recommendations on the Starting Salaries Review. We have accepted in principle the recommendations and are now consulting relevant parties. We aim to implement the revised starting salaries when the current freeze on civil service recruitment is lifted. (Action in Progress: On Schedule) |
| To review the policy on the suspension of pension for retired civil servants taking up post- retirement jobs in public organisations (CSB) | To conduct the review in 1998 (1997) | The review has been completed. We are evaluating the options on whether to modify the pension suspension policy and the implications of this. (Action Completed) |
| To set up a review board to advise the Chief Executive (CE) 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 have formulated a basic framework for the Review Board. The framework will be taken forward together with the streamlining of disciplinary procedures. (Action in Progress: On Schedule) |

| Initiative | Target | Present Position |
|--|--|---|
| To develop a multi-skilled general support service to enable more effective deployment of staffing resources (CSB) | To develop a multi-skilled general support service in 1998 (1997) | Over 2 500 officers from Typist and Office Assistant (OA) grades had been appointed to fill Clerical Assistant (CA) posts. All Typist posts in general offices have been regraded to CA. |
| | | • Through enhanced productivity, some 250 secretarial and clerical posts have been deleted and 220 posts of OAs downgraded to Workman II, resulting in salary savings of \$25.8 million p.a. |
| | | • A three-year programme to equip and train most of the clerical staff to perform computing duties was launched in April 1998. Up to the end of June 1999, 1 100 sets of personal computers have been allocated to clerical and secretarial grades staff. Based on the latest requirements of departments, around 1 000 additional sets of personal computers and 3 200 software packages will be delivered to the staff commencing September 1999. We will also provide all personal computers including those already delivered to departments with internal CD-ROMs and antivirus software as part of our drive to meet the needs of staff in a modern office. |
| | | • 14 000 computer training places have been provided to the clerical and secretarial staff. We have increased the types of courses to include training in various software applications and trouble shooting, as part of our continuing effort to enhance the skill of those staff. |

| Initiative | Target | Present Position |
|--|---|---|
| | | • 3 400 clerical staff have attained the requisite standard in English and/or Chinese word-processing skills for the award of incremental credit. Another round of word-processing proficiency tests commenced in September 1999. |
| | | (Action in Progress: On Schedule) |
| To translate the Civil Service Regulations (CSRs) into Chinese to enable civil servants at all ranks to have a good understanding of the Regulations (CSB) | To translate the CSRs into Chinese in 1998 (1997) | A new Chinese version of the CSRs was published in July 1999. (Action Completed) |

In the next 12 months, we will assess our performance in respect of this KRA against the following indicator -

| Indicator | 1999 Target |
|---|--|
| Extent to which the management of the Civil Service may be enhanced through revision of existing policies or adaptation of more initiatives | To undertake policy reviews in the areas of appointment, pay, conditions of service, discipline and training |

| Initiative | 1999 Target |
|--|--|
| To develop a Civil Service Provident Fund scheme as a new retirement benefits system for recruits to the Civil Service | Complete a consultancy study on the design of a Civil Service Provident Fund scheme |
| (CSB) | Take forward a Civil Service Provident Fund scheme for recruits |
| To introduce greater flexibility in the entry system (CSB) | Complete consultations on the new entry system and appointment terms for recruits in different grades and departments |
| | Formulate and promulgate guidelines and criteria for use of the new entry system and appointment terms |
| To review the exit arrangements to meet present day circumstances (CSB) | Formulate guidelines, criteria and mechanism for the management-initiated retirement and the appropriate retirement packages |
| | Develop voluntary retirement arrangements |
| | Streamline the procedures for the removal of non-performers |
| To update the policy and practices governing the payment of various jobrelated allowances and overtime and related allowance (CSB) | Complete a review and implement any changes |
| To ensure entry salaries and remuneration packages for recruits remain broadly comparable with those offered in the private sector | Introduce new mechanisms to ensure broad comparability between Civil Service and private sector entry pay |
| (CSB) | Develop a new fringe benefits package for recruits |

2

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 the community with the range and level of service which it expects. The Civil Service Training and Development Institute (CSTDI) together with departmental training schools provide extensive training and development programmes and advisory services.

Progress Made

We have commissioned the National School of Administration in Beijing to organise an Advanced China Studies programme.

We are enhancing leadership development and change management training, as well as training to boost productivity and efficiency. The John F. Kennedy School of Government of Harvard University conducted the second Leadership Enhancement and Development Programme course in May-June 1999.

To inculcate core civil service values, we have reinforced induction training. Exchanges with the private sector and other governments through seminars and conferences have facilitated civil servants to broaden their horizons and learn more about good practices in management and governance.

We continued to provide human resource management training to junior members of the Civil Service and organise seminars on leadership skills and management of change for management staff. We also continued to build contacts between Mainland and Hong Kong Government officials through work, visits and training courses.

In parallel, the Official Languages Agency (OLA) has been working with departments to facilitate the use of official languages.

| Initiative | Target | Present Position |
|--|--|---|
| To help departments set up a mechanism to chart and review progress in using Chinese in official business (Official Languages Agency (OLA)) | To complete a full round of visits to departments by September 1999 to encourage and assist them to set up the mechanism | A full round of visits to all departments has been completed. |
| | To have 50% of departments implemented the mechanism by September 2000 | Over 50% of departments have agreed to implement the mechanism. (Action in Progress: On Schedule) |
| | (1998) | |
| To translate widely used circulars into Chinese and encourage the bilingual issue in future | To translate all widely used circulars into Chinese by September 1999 | All widely used circulars have been translated. |
| of such circulars (OLA) | • To have bilingual issue of all major circulars from September 1999 (1998) | All major circulars are being issued in both languages. (Action Completed) |
| To enrich induction training programmes to instil Civil Service values (Civil Service Training and Development Institute | To design a new training package by April 1999 | A basic training package covering the Basic Law, core Civil Service values and government structure has been developed. |
| (CSTDI)) | • To introduce new packages to 3 000 trainees in 1999-2000 (1998) | • A train-the-trainer package on core values has been piloted in April 1999 and the package has been launched in mid-1999. (Action in progress: On Schedule) |

| Initiative | Target | Present Position |
|--|---|--|
| To enhance training in the knowledge of the Basic Law (CSTDI) | 27 000 staff to attend training and promotional activities on the Basic Law in 1998-1999 | More than 30 000 staff have attended training and promotional activities on the Basic Law in 1998-1999. |
| | • To produce nine issues of reference materials on the Basic Law and have 700 000 copies distributed to staff in 1998-1999 (1998) | Nine issues of reference materials on the Basic Law have been produced and 700 000 copies distributed to staff in 1998-1999. (Action Completed) |
| To introduce a new training course for senior civil servants to provide in-depth and themebased studies on contemporary Mainland issues and policies (CSTDI) | To introduce the new course in 1999-2000 (1998) | An advanced China Studies Course for senior civil servants was organised by the National School of Administration in Beijing in April 1999. (Action Completed) |
| To organise more exchanges with the private sector and other governments on management and public administration (CSTDI) | To organise three large-scale seminars with international speakers and participants from the private sector and other governments in 1999-2000 (1998) | Four seminars on Comparative Human Resources Management/ Human Resources Development Practices in the Public Sector were organised in January 1999 with speakers from France, the Netherlands and Canada and participants from the private sector and other governments. A conference on leadership development with a Workshop on Change Management was organised jointly by CSTDI and the Hong Kong Institute of Human Resources Management (HKIHRM) in September 1999 with overseas speakers from both private and public sectors. (Action in progress: On Schedule) |

| Initiative | Target | Present Position |
|--|--|---|
| To institutionalise the Secretariat attachment training scheme to provide better development opportunities for officers throughout Government (Civil Service Bureau (CSB)) | To complete a review of the current arrangement by early 1999 To promote the scheme to all departments in 1999-2000 | A review was completed. We have been promoting the scheme to departments in 1999-2000. |
| | (1998) | (Action in Progress: On Schedule) |
| To commission consultants to help selected departments develop their training programmes, improve their performance management systems and enhance career development of their staff (CSB) | To commission consultants for that purpose (1995) | Human Resources Management (HRM) reviews in two departments and a review of the performance management system in two other departments have been completed. (Action Completed) |
| To facilitate the use of Chinese in communications with the public and in official business (OLA) | To start a three-year programme to provide the computer hardware, software and training required (1995) | 4 180 sets of equipment and 18 081 training places were provided in the past three years. The three-year programme has been completed. (Action Completed) |

In the next 12 months, we will assess our performance in respect of this KRA against the following indicator –

| Indicator | 1999 Target |
|--|--|
| Extent to which the Civil Service has been trained to meet service requirement | 80 updated and new training courses and schemes to meet service requirements |
| | 8 160 officers to benefit from these updated and new courses and schemes |
| | 75% of trainees and departments indicated satisfaction with training courses and schemes |

| Initiative | 1999 Target |
|---|--|
| To facilitate bureaux/departments to use more Chinese in their daily business (OLA) | Provide Chinese samples of frequently used documents in daily administrative and personnel matters to bureaux/departments by September 2000 |
| To introduce greater diversification in training methods (CSTDI) | Launch 5 web-based learning programmes for 5 000 trainees by September 2000 Install a video conferencing system by September 2000 |

| Initiative | 1999 Target |
|--|---|
| To enhance the capacity of the Civil Service to manage change, to cope with pressure and accept supervisory accountability | Organise programmes on change management for 1 500 participants by September 2000 |
| (CSTDI) | Organise programmes on stress management for 1 500 participants by September 2000 |
| | Organise management training courses with emphasis on supervisory accountability for 2 500 participants and to publish a pamphlet on good practices for the manager by September 2000 |

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.

Progress Made

A total of 3 621 staff have attended customer service training courses over the 12 months to September 1999. We have allocated \$3.5 million to assist departments with their initiatives aimed at enhancing a customer focused culture. We have continued to provide support to departments in conducting Human Resources Management (HRM) reviews and initiatives. To support the Target-Based Management Process in government, we have, in conjunction with the Efficiency Unit, promulgated a best practice guide on performance measurement. The Efficiency Unit will provide assistance, including consultancy support for selected departments, to put into practice the new performance measurement framework.

We continued to meet the senior management in each department regularly to review HRM initiatives; develop and promote a customer-based service culture in the public sector and achieve greater openness and accountability in the Government.

| Initiative | Target | Present Position |
|--|---|--|
| To publish more thematic guide books on key HRM issues including appointments, staff relations and staff motivation (Civil Service Bureau (CSB)) | To publish three more guide books in 1999-2000 (1998) | The drafts of the guide books on appointments, staff relations and staff motivation are being finalised. The guide books will be published in 1999-2000. (Action in Progress: On Schedule) |

| Initiative | Target | Present Position |
|--|---|---|
| To introduce a "Customer Service Award" scheme to further promote a quality service culture (CSB) | To develop and publicise the scheme in mid-1999 To present the awards in late 1999 (1998) | The scheme has been promulgated and adjudication is in process. The awards will be presented in late 1999. (Action in Progress: On Schedule) |
| To promulgate a new performance measurement framework with the emphasis on achieving results (CSB/Efficiency Unit) | To issue a guide on performance measurement by end 1998 To promote the new framework in 1999 | A best practice guide on performance measurement has been produced. The new result-oriented performance measurement is being promoted. |
| | • To get departments to adopt the new framework by 2000-2001 (1998) | Departments will continue to be encouraged to adopt result- oriented performance measurement in 2000-2001. (Action in Progress: On Schedule) |
| To make the performance measurement system within the Government more target and result oriented (CSB) | To improve the performance measurement system within the Government in 1998 (1997) | A pilot consultancy study on performance measurement has been completed and a best practice guide produced for reference by departments. (Action Completed) |

In the next 12 months, we will assess our performance in respect of this KRA against the following indicator -

| Indicator | 1999 Target |
|--|--|
| Extent to which customer-focused culture be enhanced | 50 HRM and quality service improvement projects to be implemented in departments |

| Initiative | 1999 Target |
|---|--|
| To introduce progressively elements of a performance-based reward system into the Civil Service (CSB) | Initiate trial schemes in selected departments and grades |
| To enhance professionalism in HRM (CSB) | Enhance the HRM capacity of departments by engaging outside HRM experts in pilot departments by mid-2000 |

4

Uphold the integrity of the Civil Service

A 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.

Progress Made

We worked closely with the Independent Commission Against Corruption (ICAC) and Heads of Departments to promote anti-corruption practices. We have revised the system of declaration of investments by civil servants and have issued a book on Civil Servants' guide to good practices to enhance civil servants' knowledge and awareness of proper standards of conduct and probity.

| Initiative | Target | Present Position |
|--|--|--|
| To assist departments to draw up guidelines on the avoidance of conflict of interest situations (Civil Service Bureau (CSB)) | • To reach out and help 20 departments review or develop their departmental guidelines on avoidance of conflict of interest in 1999-2000 | • 16 Civil Service Bureau Circulars on the subject and related Civil Service Regulations are currently under review for issue of updated guidelines in 1999-2000. Meanwhile, review work in the 20 selected departments has started with a view to completing the development of departmental guidelines in 1999-2000. |
| | • To provide advice and support to the ICAC and Heads of Departments and Grades in organising 300 training seminars for staff on avoidance of conflict of interest in 1999-2000 (1998) | The organisation of training seminars in departments is on schedule. (Action in Progress: On Schedule) |

| Initiative | Target | Present Position |
|---|--|--|
| To review the integrity checking system in 1998 to improve its transparency (CSB) | To complete the review on the integrity checking system by end 1998 (1997) | The review is completed. We are formulating detailed guidelines and procedures for transparency measures. (Action in Progress: On Schedule) |

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

| Indicator | 1999 Target |
|---|---|
| Extent to which integrity is being promoted in the Civil Service | 20 programmes organised by the Government to promote good conduct in the Civil Service |
| Extent to which disciplinary mechanisms for civil servants are improved | • To restructure the administrative framework with a view to setting up an independent Standing Secretariat to process disciplinary cases; and to appoint a pool of experienced adjudicators |
| | To review and streamline existing disciplinary procedures as provided under the Public Service (Administration) Order 1997 and the Public Service (Disciplinary) Regulation |
| | To promulgate updated disciplinary provisions and issue relevant procedural manuals for compliance/reference |

| Initiative | 1999 Target |
|--|--|
| To streamline the processing of disciplinary cases in civil services (CSB) | Set up an independent Standing Secretariat comprising dedicated and experienced officers to process disciplinary cases under the Public Service (Administration) Order 1997 |
| To conduct the second phase of the Civil Service Integrity Programme (CSB) | • 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 |
| | Provide advice and support to ICAC and Heads of Departments and Grades in organising training seminars on avoidance of conflict of interest in 2000-2001 |

Promote staff well-being

Well motivated civil servants are likely to perform better. We recognise that we must promote good staff relations throughout the Civil Service to enhance team spirit.

Progress Made

We met regularly with the four Central Consultative Councils to ensure effective communication with staff, and we are committed to consulting staff on any major changes which affect their conditions of service. We also promoted direct communication with the senior management of departments through regular gatherings.

We continued to promote awareness of occupational safety and health in the Civil Service. We have organised a major exhibition on "Manual Handling" in 1999 and have produced a Good Practice Guide on Safety Management Systems for use by departments.

We have launched a 2-year pilot scheme to provide expert counselling service to help staff cope with stress.

| Initiative | Target | Present Position |
|--|--|---|
| To improve the staff Holiday Bungalow Scheme (Civil Service Bureau (CSB)) | To rent three additional holiday bungalows to raise the successful application rate from 24% to 37% when the additional bungalows are available for use (1998) | Three additional holiday rooms in Hilltop Country Club are available for staff use since June 1999. (Action Completed) |
| To provide professional counselling services to help staff cope with stress (CSB) | To launch a pilot scheme to provide civil servants with ready access to expert counselling services on stress management (1998) | 30 000 staff have access to counselling services provided by two professional agencies since June 1999. (Action Completed) |

| Initiative | Target | Present Position |
|---|---|---|
| To devise a Good Practice Guide on Safety Management Systems to | To compile the Good Practice Guide by July 1999 | • The Good Practice Guide was made available in July 1999. |
| enhance safety at work (CSB) | • To start implementing the Guide in 50% of departments by the end of September 1999 (1998) | About 50% of departments have started implementing Safety Management Systems. (Action Completed) |

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators $-\$

| Indicator | 1999 Target |
|--|--|
| Extent to which good staff relations are being promoted in the Civil Service | 130 000 staff participating in major staff relations promotional schemes |
| Extent to which occupational safety and health are being promoted in the Civil Service | Implementation of Safety Management Systems by 70% of departments |

| Initiative | 1999 Target |
|---|---|
| To build an Internet homepage on Occupational Safety and Health (CSB) | Build the homepage to provide updated information on the subject in mid-2000 |
| To provide auditing service on Safety Management Systems implemented by departments (CSB) | Introduce the auditing service in 2000 for the purpose of encouraging continuous improvement. |