Employee Satisfaction in the Public Sector

ARMENIA ANDRONICEANU, SIMONA SORA, DIANA PĂUN, DANIEL JIROVEANU
Management Faculty,
Bucharest Academy of Economic Studies,
ROMÂNIA
armenia.androniceanu@man.ase.ro, simona_sora@yahoo.it, diana_paun@yahoo.com, jiroveanud@gmail.com

Abstract

It is now widely recognized that the age of knowledge society has come and many private, but also public organization are changing their style of work, organization and culture. A competent public administration is the key of a healthy society, but an incompetent one leads into severe decline. In this context, a flexible system of personnel management is a “sine qua non” requirement and an organizational culture that listens and take care of the employees needs is essential. In fact, personnel management policies can change the work environment and the employee’s satisfaction. Employee’s satisfaction is a subject that has appeared many times over the past decade in academic research but also in organizational analysis. This paper presents an organizational study about employee satisfaction and describes the efforts and approaches made by the Romanian Ministry of Foreign Affairs in his initiative to reform the human resources management, especially regarding the employees needs. The methodologies used are the empirical research, legislative scanning and a very complex survey applied on 1114 employees of the Romanian Ministry of Foreign Affairs, which represents the base of the human resources management reform. The role of this survey was to identify the employees work satisfaction taking into considerations various aspects: ministry strategy, work conditions, financial aspects, training, internal communication, performance evaluation and promotion of personnel, ethic aspects, career path and career development, team work and the relation with the management. The paper presents the results of this survey and the legislative and organizational aspects of the reform started in 2004. The opportunities and negative effects of the current financial crisis had been also analyzed. At the end of the paper, we consider some conclusions.

Key-words: employee satisfaction, survey, public sector, reform

1. Introduction

In the last decades, societies all over the world have been transformed and passed from an industrial approach to knowledge based society. Moreover, with the end of the cold war, the high level of certainty and predictability in the national but also international enviroments has been replaced with dynamic and very complex business relationships. A lot of changes contributed to this transformation, including the development of a global economy, the end of the Cold War, the rapid progress and widespread adoption of information technology. The public sector is being transformed too, leading to the emergence of what has been called the New Public Management [2]. This new concept have substantially contributed to changes in ideas and practices of governance and the scope, organisation and managing of the public services have changed dramatically since the 1970s [3].

Clearly, these kinds of changes are not limited just to the public sector. Organizations from the private sector have also been under constant pressure to adapt to increasing turbulence in their environment [5]. Many popular concepts used in public management like project management, performance management, headhunting are borrowed from developments that are taking place in the private sector. The major difference between the public and the private sector seems to be the attention devoted to the HRM-concept. Clearly, HRM is more develop in business administration as is proved also by the enormous number of books and articles on HRM. But in the last years a lot of studies about HRM were made also in the public sector. Indeed, many of the changes promoted by New Public Management or other initiatives to revitalise the public sector have important consequences for the organisation of work and the employees work satisfaction [10]. Some will even argue that the public sector of the 21st century needs a new type of workers (knowledge workers) compared to the public sector of the welfare states in the second half of the 20th century and this have important consequences for the HRM practicies of the public sector organisations. An important lesson of the HRM-literature is that people are the key of organisational success and the performance of an organization depends of the performance of individuals. For a long time, a job was just a source of income, but now is a way through which an employee sees his dreams come true – career, personal growth, recognition, power. If
work satisfaction is going down among workers, it will have negative effects on the quality of the services. Not only because lesser motivated workers will deliver services of a lower quality, but also because it will make the public sector less attractive as an employer. Work satisfaction of the employees can strongly influenced the type of the psychological contract between the public institution and the civil service. The psychological contract is the „meeting point” of the employees and employers contributions/expectations from each other. It is also important that those expectations met by the employer or employee to be consistent with their expectations. Many organizations spend money and resources to meet expectations that are not important for most of the employees and do not put emphasis on what is really important for them, which he believes has value [12].

In the Foreign Service world, the work satisfaction issues plays an important role even if there are not a lot of studies in this respect. The lack of HRM studies in the filed of diplomacy can be explain in a lot of ways, but maybe the most important is that this public sector had been closed for this type of researches for a long time. Now, with the introduction of new concepts like public diplomacy, multistakeholder diplomacy, this field become more open to the public and the first studies were about the consular service satisfaction among national citizens. In the last decade, a lot of foreign ministries developed internal studies about work satisfaction among foreign service officers. This high interest was determined by the need to adapt “in time” to the changes appeared in the international relations world, but also by the rapid development of technology that was seen like a threat by the foreign service officers that field there job is been taken by technology. Other aspects that explains the rapid grow of interest for this subject are the career characteristics of a diplomat: working all over the world, in a multicultural enviroment, caring out his/her family. Family aspects play a very important role in the work satisfaction of a foreign service officer because of his/her life long mobility. In the next chapter we will give a short presentation of a large research developed by the Romanian MFA and the results. Next, we will discuss some aspects regarding the reform developed as a result of the survey findings and we finish with some conclusions.

2. Employee satisfaction in the public sector

2.1 Background
The next part of this paper will focus on the effects personnel policies have on the work satisfaction of the employees from the Romanian MFA. Work satisfaction is an often researched subject, as it is generally believed a higher job satisfaction is associated with increased productivity, lower absenteeism and lower employee turnover [4]. It is however not possible to give a full outline of the literature on this subject, as already by 1993 there were more than 6,247 articles or dissertations on work satisfaction in the PSYCINFO computer database [8] and in the last decade the interes for this subject has increased.

There is also a growing number of articles on work satisfaction in the public sector. For example, in recent years Ting (1997) looked at determinants of work satisfaction of US federal government employees. Reiner and Zhao (1999) looked at the work satisfaction of US Air Force Security Police and Barrows and Wessen (2000) made a comparison between the work satisfaction of professionals in the public and private sector. Comparing job values of workers in the public and private sector they concluded that whereas private sector workers rank ‘good wages’ as highest in importance, public sector workers ranked ‘interesting work’ as highest. In the specialised literature, there are a lot of models that explains differences in work satisfaction. Often two different types of variables are distinguished: individual and organizational. In the first place, this includes variables as race, gender, educational level and age. Although, these variables seem to have some effect on job satisfaction, the explained variance is often not very high. Many studies have shown that variables linked to the job content and organisational context are better able to explain differences in work satisfaction. Ting (1997) reported that variables related to the job content and the organisation are more important determinants of job satisfaction. He reported significant effects of pay satisfaction, lack of promotional opportunity, task clarity, the utilization of skills and the meaningfulness of the task. He also reported significant effects of organisational commitment and the relationships with supervisors and co-workers. Herzberg (1959) is one of the first who noted the importance of the work environment as the primary determinant of employee work satisfaction. In this paper we will look explicitly at the effects of organizational variables related to personnel practices.
2.2 Scope of the research
This paper tries to identify the strong and the weak aspects of the work environment in the Romanian MFA, the opportunities and also the threats of the global crisis and presents the components of the reform in the last 5 years.

2.3 Methodology
In 2003, the Romanian Ministry of Foreign Affairs implemented a large survey among his employees (RMFA Work Satisfaction Survey). This survey did not take into consideration political aspects, is part of a large reform that started in 2000 and was applied just on the career diplomats and administrative staff. In total, 1114 employees (diplomatic and consular employees as well as administrative staff) were interviewed in 2003 (67% of the total number of employees). The ministry tried to make the sample as representative as possible by keeping a balance between Headquarters and the missions abroad, genders, age, diplomatic ranks and seniority as it is showed above:

- the gender distribution was 36% women respondents and 64% men respondents. This was also the percent of the gender representation in the entire ministry;
- the subjects have ages between 22 and 60 (average age was 42,1);
- seniority was between one month and 40 years.

The survey is structured in five parts with items which aimed to identify the overall work satisfaction:

1. satisfaction with top management. This scale consisted of 27 items about strategic planning and communication of the strategic objectives to the employees, satisfaction with the overall policy of the ministry, satisfaction with the way management operates, team work, management style, ethic, equal opportunities, internal communication;

2. satisfaction with the tasks. This scale consisted of 58 items about satisfaction with the tasks in the job, satisfaction with future tasks, satisfaction with degree of autonomy, training on the job, team work, satisfaction with pay, work conditions, IT technologies, work environment;

3. career management policy. This scale contains 27 items about:
   - career planning (existence of appraisal interviews, performance evaluation, mobility policy abroad, promotions, functional and task roulations);
   - career development (personal development plans, career plans, individual coaching, training).

4. relationship with the direct management. This scale consisted of 8 items about the hierarchy, interaction with the manager, team work, role and responsibilities of the executants;

5. one item about the overall impression about working in the Romanian MFA.

2.4 Results
The overall impression of the respondents is that they have a positive opinion of working in the Romanian MFA. At the last item “I enjoy working for the Romanian MAE?”, 62% of the respondents said categoric yes and 28% definitly yes.

1. Positive aspects
- 96% of the employees had a clear image of the strategic objectives of the ministry and 93% felt that their work contributes to achieve these objectives;
- 86% of the respondents are satisfy with work tasks and 75% consider that these tasks stimulates them;
- more than 70% consider that they are part of a team and almost 70% appreciate that there is a collaborative enviroment between departments;
- 69% consider that they have work authonomy and this is a very motivating aspect;
- almost 70% of the respondents are satisfy with the relationship with the direct manager. In the diagram below we can see the qualities appreciated by the executants:

2. Negative aspects
- over 60% of the respondents consider that the salary is not attractive and that there is a huge difference between headquarter salary in the salary in the diplomatic or consular mission;
- 47% consider that the internal contest for the vacancies abroad is not transparent;
- 45% sees the evaluation performance system at no use because it has a high level of subjectivity and ambiguous evaluation criteria;
- just 40% of the employees considers that top management listen to their opinions;
- almost 44% of the respondents are not satisfied with the relationship between salary and performance;
- more than 43% of the respondents consider that the lask of career planning
systems affect individual and organizational performance.

Several conclusion can be drawn from this statistics. In the first place, we can see that there are a lot of negative aspects regarding HRM policy and some issues that cannot be resolved just with the intervention of the management institution and a legislative initiative is required. The next chapter presents the main actions of the reform developed in the Romanian MFA in the last 5 years.

3. Romanian MFA Reform

The Public Administration Reform, particularly reform of Central administration, is strongly influenced by national factors like political, social, economic and also by international factors like globalization, technological innovation, global economy, international relations and international organizations, etc. A reform can be a successful one only with the help and entire commitment of civil servants. Due to their importance, civil servants should be well trained, efficient and very motivate to do their job. We believe that the issue of work satisfaction is relatively new in our public administration, but is becoming more and more present in our institutions the need to analyze these aspects.

After the implementation of the survey above, The Romanian Ministry of Foreign Affairs started a large reform based on 2 pylons:

1. The first pylon is the legislative reform that assured a better organization and functionality of the ministry.
   In the next paragraph we will make a short presentation of the most important legislative initiatives, by chronological order.
   The legislation concerning statute of the Diplomatic and Consular Corps has been constantly amended after the Revolution. The Law no. 269 regulating the Status of the Romanian Diplomatic and Consular Corps was adopted and published in 2003 and represented a big step forward for the Romanian Ministry of Foreign Affairs. This Statute stipulates privileges, immunities, rights and obligations of the Diplomatic and Consular Corps of Romania and aspects of admission in the ministry (art. 17), career path (art. 4), training and development (art. 23), financial aspects (art. 24), medical assistance in the mission abroad or possibility to have another job (art. 49). In 2004, a Government Decision was adopted (Government Decision no. 100/2004 regarding the organisation of the Romanian Ministry of Foreign Affairs) with the scope of improving internal organization of the Romanian MFA and becoming more flexible in the context of the rapid changes appeared in the international world. This initiative had taken into consideration also the need to adapt ministry organization and structure to the EU standards in the context of the EU integration.
   In order to attract well trained people into the public administration, a new specific a new Law was adopted in 2004: Law No. 495/2004 on salaries and other money rights for the personnel employed with the headquarters of the Foreign Affairs Ministry as well as for the personnel send abroad to diplomatic and consular missions and to the Romanian Cultural Institutes. This law had the main target the create the legal framework of the financial issues for the employees of the Romanian MFA, diplomatic and consular corp and also for the administrative staff. This legislative initiative had the role to stimulate the existing staff, but also to increase the attractiveness of the ministry amoung the most prepared and talent young people.
   In 2005, was adopted the Government Decision no. 880 regarding the creation and organization of the Romanian Diplomatic Institute (RDI). After creating this institute, every year, more than 40% of the Romanian MFA employees participate at training programs in diplomacy developed by the RDI. In this period is was developed a Basic Diplomatic Program for young diplomats that helps them to obtain the basic knowledge and abilities for the diplomatic work, stimulated networking between them and an easier integration in the ministry. This aspects contributed directly to the increse of work satisfaction among young employees, but also for the senior staff by generating a win – win formula: young diplomats have the suport for a sucessesful integration in the system and senior staff have more time for their tasks instead of loasing more than 80% of their work time to integrate the new employees.
   At the end of 2007, the Law No. 495/2004 on salaries and other money rights for the personnel employed with the headquarters of the Foreign Affairs Ministry as well as for the personnel send abroad to diplomatic and consular missions and to the Romanian Cultural Institutes was modify in order to adapt the salary of diplomatic and consular corps to the EU member states standards, but at the end of 2009, with the global crisis, this initive was affected by the Law no. 330 on the public sector unified wage that reduced the level of salary in the Romanian MFA.
2. The second pylon is the organizational reform with a great attention on the HRM policy

As we could see in the result of the 2003 Work Satisfaction Survey held in the Romanian Ministry of Foreign Affairs, a lot of negative aspects were correlated with the HRM policy. Below we present the main action of the organizational reform:

- changing the internal document management system by passing to a more friendly IT approach and the automatization of the routine activities, especially on the consular aspects;

- creating an 360º evaluation performance system with 21 evaluation criteria and objectives evaluation. This evaluation is made at the end of every year and is correlated with the promotion system and the training programs;

- passing from the old written exam (used until 2005) to a promotion evaluation based on merit that contains 4 different parts of evaluation: professional experience abroad, training and development, managerial experience and performance evaluation made by an internal board evaluation. This is a transparent and competitive system because all results are made public and the rejected candidates are counseled to improve their performance and receive also recommendations for training and development;

- redraw of the diplomatic training system by corelating him with evaluation performance system and promotion procedure. After the evaluation performance system, at the beginning of the next year, the HR department is doing an complex evaluation of the training need called Identification and Analyze of the Training Needs. At that moment managers as well as executants can suggest new types of training programs.

4. Current opportunities and threats in the context of the financial crisis

The global financial and economic crisis presents significant challenges for Romania. As Albert Einstein was saying “A crisis can be a real blessing to any person, to any nation. For all, crises bring progress. Creativity is born from anguish, just like the day is born form the dark night. It's in crisis that inventive is born, as well as discoveries, and big strategies. Who overcomes crisis, overcomes himself, without getting overcome. Who blames his failure to a crisis neglects his own talent, and is more respectful to problems than to solutions. Incompetence is the true crisis.”

Even if most of the people considers the financial crisis a negative issue, we believe that crisis has also some positive aspects. For the Romanian MFA, for example, it is an opportunity to focus on the development of new procedures and development programs for employees taking into consideration that the hiring procedure is block by the Government because of the lack of funding. Another opportunity relays in seconding diplomats to the EU institutions and to other international organizations like NATO. This is an advantage and also an disadvantage. It is an advantage because it is in the Romanian national interest to have national experts in the international organizations, but also to return in the „mother” institution with expertise and new skills. It is an disadvantage because of the lack of national expertise in the national institution that cannot be covered by other expertise because of the blocked vacancies. Another opportunity is the access to the European funds. Between 2007 and 2013, 208 million euro are allocated to Romania for the Operational Programme Development of Administrative Capacity, through the European Social Fund. But this is not the unique option because there are other 2 national programs from which can obtain financing (Operational Programme Human Resources Development and Operational Programme Increase of Economic Competitiveness. Taking into account that the national co-financing needed is only 2% per project – and that up to 98% of the eligible expenses may be covered from the structural funds, the Romanian MFA has a great opportunity to develop projects in the HRM field that can improve employee competencies (training projects), internal procedures (IT projects) or public policy strategy.

The „threats” of the crisis, including lower salaries, may lead civil servants to look for better-paid jobs in the private sector, due to the restriction imposed by law: a civil servant can only take an extra job in the University, not in the private field.

5. Conclusions

Commitment and participation of workers in the public sector is related to their work satisfaction. Motivation and commitment of workers are an essential condition for the
success of the public institutions and a key element of the HRM policy.

**Overall work satisfaction of Romanian Foreign Service Officers** seemed to be not particularly high, but the reform developed in the last 5 years had improve a lot of negative aspects identified in the 2003 survey. The Law no. 269/2003 regulating the Status of the Romanian Diplomatic and Consular Corps, creation of the Romanian Diplomatic Institute (2005) or the Law No. 495/2004 on salaries and other money rights are just the main legislative initiatives that contributed in this process of improving the level of work satisfaction in the Romanian MFA. To these initiatives, we may add organizational structure change stipulated in the Government Decision no. 100/2004 regarding the organization of the Romanian Ministry of Foreign Affairs and the new HRM strategy. More use of HRM-practices is especially related to a higher satisfaction with management of the organization and with career support. Nowadays, Romanian MFA employees are more positive about their tasks, with their career opportunities and more confident in the top management. Changes are still needed in the Romanian public organizations in order to improve the HRM policy and to increase work satisfaction among employees. Work satisfaction of employees means increasing individual performance, less conflicts, creativity and cost effectiveness in a period when financial aspects are very problematic due to the global financial crisis. This finding also illustrates the need for Public administration academics and practitioners to include more studies on HRM in in their theories and policies and, especially in the field of work satisfaction.

**References:**


[16] Government Decision no. 880/2005 regarding the organization of the Romanian Diplomatic Institute

[17] Law no. 495/2004 on salaries and other money rights for the personnel employed with the headquarters of the Foreign Affairs Ministry as well as for the personnel send abroad to diplomatic and consular missions and to the Romanian Cultural Institutes are just the main legislative initiatives that contributed in this process of improving the level of work satisfaction in the Romanian MFA.

[18] Law no. 269/2003 regulating the Status of the Romanian Diplomatic and Consular Corps.

[19] Law no. 330/2009 on the public sector unified wage