Quality of public administration in Finland and finnish experience in training civil servants

Качество государственного управления в Финляндии и финский опыт подготовки государственных служащих

Marat Zhylinski¹ Sviatlana Valodzka² Hanna Zianevich³

Жилинский Марат Геннадьевич Володько Светлана Михайловна Зеневич Анна Михайловна

1. PhD in Historical sciences, Associate Professor, rector of the Academy of Public Administration under the aegis of the President of the Republic of Belarus

Кандидат исторических наук, доцент, ректор Академии управления при Президенте Республики Беларусь

2. PhD in Pedagogic sciences, Associate Professor, head of the Department of cross-cultural communication for the Institute for Managerial Education of the Academy of Public Administration under the aegis of the President of the Republic of Belarus

Кандидат педагогических наук, доцент, заведующий кафедрой иноязычной коммуникации Института управленческих кадров Академии управления при Президенте Республики Беларусь

e-mail: svietlana.volodko@mail.ru

3. PhD in Economic sciences, Associate Professor, dean of the Faculty of Innovation and Technology Management for the Institute for Managerial Education of the Academy of Public Administration under the aegis of the President of the Republic of Belarus

Кандидат экономических наук, доцент, декан факультета инновационной подготовки Института управленческих кадров Академии управления при Президенте Республики Беларусь

e-mail: zannam@yandex.ru

Аннотация

В статье рассматривается система государственного управления в Финляндии, в частности реформа государственного управления страны, эффективность которой наглядно доказывает лидирующие позиции, которые Финляндия занимает в различных мировых рейтингах. Сегодня Финляндия является одной из самых развитых и конкурентоспособных стран мира по качеству жизни, социальной справедливости, развитию человеческого капитала, по индексу инноваций и прозрачности государственного управления и т.д. Финляндия является наименее коррумпированной страной в мире. Главными ценностями системы государственного управления в Финляндии являются независимость, открытость, непредвзятость и ответственность. Обозначенные проблемы рассматриваются в первой части статьи. Вторая ее часть посвящена HAUS, Финскому институту государственного управления, главному центру страны, отвечающему за подготовку и консультирование государственных служащих. Опыт, накопленный HAUS, заслуживает внимательного изучения. В статье представлена некоторая информация о деятельности HAUS, с которой познакомилась делегация Академии управления при Президенте Республики Беларусь во время обучающего визита в Хельсинки.

Ключевые слова: реформа государственного управления, прозрачность государственного управления, объективность и открытость, HAUS Финский институт государственного управления, подготовка государственных служащих.

Abstract

On the one hand, the article focuses on the system of public administration in Finland, as public administration reforms which occurred in Finland have evidently proven their effectiveness and efficiency and today's Finland is a welfare state holding top positions in numerous World Rankings including quality of life, human capital, social justice, innovativeness, transparency in public sector, etc. Among the most important values in Finnish state administration there are independence, objectivity, openness, impartiality, responsibility and accountability. On the other, the article analyses the experience of HAUS Finnish Institute of Public Management Ltd., which, being the leading organization in civil servants training, is the main center responsible for training and consulting civil servants on long- and short-term

courses on topical issues of public administration. To get acquainted with this full-service training institute offering services for public administration, the delegation from the Academy of Public Administration under the aegis of the President of the Republic of Belarus headed by the Rector had a chance during the Study Visit to Helsinki.

Keywords: public administration reform, transparency of public administration, objectivity and openness, HAUS Finnish Institute of Public Management, training civil servants.

Поступила в редакцию / Received: 23.12.2016

Web: http://elibrary.miu.by/journals!/item.iot/issue.48/article.2.html

This article contains information about Finnish system of public administration acquired during of the Study Visit to Finland (19–22, April, 2016) with the participation of Marat Zhylinski, Rector of the Academy of Public Administration under the aegis of the President of the Republic of Belarus, Suarhei Shauruk, Vice Rector for Studies, Director of the Institute of Civil Service, Vadzim Matskevich, Dean of the Faculty of Administration and Management of the Institute of Managerial Education, Hanna Zenevich, Dean of the Innovation and Technology Management Faculty for the Institute for Managerial Education, Svietlana Volodko, Head of the Department of Cross-cultural Communication, Tatiana Tishkevich, Methodologist of the 1st category of the Centre for International Cooperation and Educational Programmes.

The Study Visit was organized by HAUS Finnish Institute of Public Management Ltd within the framework of Participatory Democracy, Open Governance and Efficient e-Government Service (PADOS). The project and its principal objectives were: to study the curriculum development and training methodologies of HAUS; to get acquainted with civil service training in Finland; to study management training in Finland.

Before coming to the point, it's worth mentioning some basic facts about the country, the system of public administration of which we are going to analyze. Till 1809 Finland was a part of Sweden. From 1809 till 1917 it was an autonomic Republic of the Russian Empire. On the 6th of December, 1917 the Independent Republic of Finland was proclaimed. In 1995 Finland became a member of the European Union. Today's Finland claims to be a constitutionally governed Nordic welfare state and a democratic system with a high educational basis of the population [1].

The places Finland holds in various World Rankings evaluating countries and their achievements in different spheres are really impressive. Table 1 shows some of them in World Rankings 2014-2016 [2].

The total area of Finland is 338,420 square kilometers. 10 % of it is water, 70 % is forest. There are about 188,800 lakes and 179,500 islands in Finland. It is Europe's largest archipelago, including the semi-autonomous province of Aland. The population of Finland is 5,45 million. 67 % of the population live in towns, 33 % in rural areas. About one million people live in the Helsinki metropolitan area [1].

Legislative power in Finland is exercised by Parliament with 200 seats elected for 4 years. Executive power is vested in the President elected for 6 years and the Government referring to the Cabinet of Finland which consists of the Prime Minister and 12 ministers. Judicial power is exercised by the Supreme Court appointed by the President of the Republic, Supreme Administrative Court and independent

courts of law (Insurance Court, Court of Appeal, Land Court, etc.) [1].

The above mentioned information about Finland is undoubtedly important to better understand the Finnish system of public administration and civil service training. To start with let us present the diagram illustrating the structure of the Finnish system of public administration (figure 1) [3].

The main aim of the Constitutional reform which occurred in March 2000 was to strengthen the parliamentary system of the government. The new Constitution increased the powers of the legislature in initiating legal changes. The government, being responsible to Parliament, was given a greater role in presidential decision-making procedures. The new Constitution marked the end of the President's leading role in forming the government. The appointment of the Prime Minister was transferred from the President to the Parliament [4].

Attempts to reform central government have been discussed in Finland for decades, but started only at the end of the 1980s. The structural reforms were the most visible ones and the process of restructuring resulted in decreasing the size of the central administration. All ministries and other bodies in central government underwent reforms. For example, some semi-autonomous agencies turned into the so-called development centers and their tasks were transferred to the ministries and newly organized agencies, to regional and local government.

The aim of the public administration reforms was to modernize the Finnish administration in order to meet the challenges of globalization brought to the Finnish economy. The general principal in public administration reforms was based on market-oriented methods and security economy, its efficiency and competitiveness and has remained the same since the late 1980s [4].

It was in 1998 that the Government published the report «The Government Resolution: High-Quality Services, Good Governance and a Responsible Civic Society» setting out guidelines for the reforms and determining personnel strategy. According to the report the most important values in state administration are independence, impartiality, objectivity, reliability of administrative operations, openness, a principle of service, responsibility, flexibility and accountability.

The responsibility for delivering public services in Finland is shared between the central government and municipalities together with joint authorities which are formed by municipalities.

Finland is the first country in the world to launch an act on electronic services in administration. The Act was passed in 2001. Its aim was to improve smooth functioning of services in the administration and provide data security.

Table 1 - World Rankings of Finland

Place	World Ranking Title
1st	Save the Children Annual State of the World Mothers Report; Wireless network development; Cleanest air in Europe (according to the Environmental Performance Index Finland shares the 1-st position with Ireland and Iceland).
2nd	Gender Equality; EU Social Justice Index; European Eco-Innovator Index; Global Innovation Index; Best country in the EU for quality of life; Human capital (according to the World Economic Forum based on such indicators as education, well-being and employability).
3rd	Competitiveness; Transparency in public sector (according to Transparency International Corruption Perception Index (CPI), behind Denmark and New Zealand.
4th	Most reputable country; Innovativeness; Children's well-being.
5th	Dynamic business development.
6th	Global Peace Index (2014); Best in the world for higher education; Helsinki is the 6-th most satisfactory city in Europe.
8th	Ranking based on health, material well-being, finance and quality of life; Helsinki is the 8-th best city to live in.
9th	Best country to do business in 2014-2018.
10th	E-government development; Happiest nations in the world (according to the UN World Happiness Report); Least failed state in the world (according to the Fails States Index); Most prosperous countries in the world.

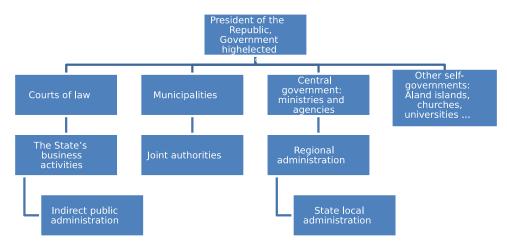


Figure 1 - The Structure of Public Administration in Finland

According to the Ministry of Finance in early 2001 almost 90 % of all agencies in Finland provided web services.

The first specialized center responsible for training civil servants appeared in Finland in 1971. It was State Training

Center (VKK). The further development of the main Finnish institute for public administrators training underwent the following stages in its development:

- 1971 State Training Centre (VVK);
- 1987 Administrative Development Agency;
- 2002 HAUS Finnish Institute of Public Management Ltd;
- 2010 In-house Development Organization to the Government [5].

Today HAUS is an institute that provides training, consulting and development services, focusing on the development of public management, service activities and personnel both in Finland and abroad. It has formulated its own mission and prides itself on some certain values. Its mission runs as follows: HAUS supports and improves public administration by training civil servants and developing organizations.

And its values are:

- Working together;
- · Sensitivity;
- · Positive attitude;
- Reliability [6].

Regional administration, enabling ministries to fulfill their responsibilities at a regional and local level, was reformed in January 2016. Two new regional state administrative bodies: the Regional State Administrative Agencies and the Centers for Economic Development, Transport and the Environment were created. They started accomplishing duties of the previous key state regional administrative authorities – state provincial offices, employment and economic centers, regional environmental centers, road districts, health districts and safety districts.

Today Regional State Administrative Agencies (AVI) execute implementation of basic rights, legal protection, access to basic public services, environmental protection, public safety, healthy living and working environment in the regions.

Centers for Economic Development, Transport and the Environment (ELY) promote entrepreneurship, labor market functioning, ensure functioning and safety of the transport system and sustainable use of natural resources in the regions. They are in charge of immigration and employment in the regions.

The public service in Finland is looked upon as the services rendered through the state and municipal administrations including the army, healthcare and education. And the civil service is not considered a separate entity from the public service.

The maximum size of the Finnish government is 18 ministers. Today there are 12 ministries in Finland:

- · Ministry of Finance;
- Ministry of Foreign Affairs;
- Ministry of Justice;
- Ministry of Defense;
- Ministry of the Interior;
- Ministry of Education;
- Ministry of Agriculture and Forestry;
- Ministry of Transport and Communication;
- Ministry of Trade and Industry;
- Ministry of Social affairs and Health;
- Ministry of Labor;
- Ministry of the Environment [7].

The ministries are small – the number of civil servants working in them amounts to about 5000. It has increased by 1000 for the last decade due to the fact that in the 1990s agencies working under the ministries were abolished and consolidated into ministries. It was a step away from the Swedish-type agency model of public administration towards a system of ministerial administration where the ministries have become independent within their own activity [7].

The recent step towards a parliamentary system of government has considerably strengthened the position of the Prime Minister's Office. It has become the central coordinating body in the Government together with the Ministry of Finance which is responsible for budgetary and economic questions, for public management matters, for personnel policies.

Traditionally it has been so, that the Finnish recruitment policy for the civil service was characterized by the principle of taking into consideration political views of individuals which were expected to be similar to the views held in government. But in the 1990s the number of political nominations decreased greatly. Competence and merit have become key elements in the appointment of civil servants. In 2003 a program to increase the productivity of civil servants' performance was started, in 2005 a decision was taken to fill only half of the jobs vacated and in 2011 this program was replaced by a new one putting emphasis on effectiveness and results rather than on the size of the personnel. Between 1991 and 1996 the number of personnel

in central government decreased from 27000 to 24000. The number of personnel in state administration decreased from 215000 people in 1988 to 124000 in 2000. The total decrease was about 43 per cent [1].

Today personnel policies are carried out in accordance with the principles outlined in «Government Decision in Principle. Future Personnel Policies» (1996), which delegates the authority for personnel management to the agencies while earlier it was in the hands of the central government.

It was in 1997 that the Government revised the criteria for the selection of government officials. Two types of qualifications were signed out: statutory and general. Statutory qualifications include a higher academic degree, expertise, proven managerial ability and experience. General qualifications include ethics, team work and communication, language proficiency (since there are two official languages in Finland), development potential and leadership skills [1].

Since the principal objective of the Study Visit was to get acquainted with training methodologies of HAUS, let's take a closer look at its structure and training areas.

The staff of HAUS amounts to 30 people and has the following organizational structure. The Owner is the state. The Chairman of the Board of Directors is Managing Director. The Board of Directors includes Management group and Administrative services. The Management group consists of personnel training, management and leadership training and includes training courses, tailor-made training and coaching, customer partnership, marketing and sales, external expert pool, support services. Administrative services consist of HAUS International and HAUS College.

HAUS is a full-service training institute offering services for public administration. They offer both long curricula for professional development and short courses on topical issues for public administrators, such as:

- Human resources management and development;
- · Leadership training and personal assessment testing;
- · Budgeting and accounting;
- Public procurement;
- Organization of public services;
- Law drafting and administrative law;
- European issues;
- Good governance and civil service ethics;
- Training of trainers.

HAUS is the leading organization in public management training in Finland and its competitive advantage is a thorough knowledge of the requirements and challenges of public administration - at both central and local levels. They offer executive programs for senior management, performance management programs for middle management, corporate governance, strategic management and leadership, change management, team building. HAUS has a very prestigious image. Its aim is to make their clients abroad succeed in the capacity building and in reforming their administrative structures, policies and resources. It has close partnerships with their customers, beneficiaries, and other stakeholders. It utilizes the competitive advantages of the Finnish public administration, such as top-class national competitiveness in international surveys, one of the least corrupted countries in the world, maximum transparency, freedom of speech, excellence of Finnish educational system.

Today HAUS offers its clients training in the following areas of expertise:

- Civil service training;
- Strategic management;
- Public procurement;
- Anti-corruption;
- HRM & HRD;
- Education and training;
- EU affairs;
- · Capacity building;
- · Good governance;
- Performance management [6].

Here is the list of HAUS' international customers in recent years: Ministry of Finance of Georgia, Ministry of Finance of Macedonia, National School of Public Administration (Croatia), Uongozi Institute (Tanzania), Public Procurement Authority of Zambia, Ministry of Education - Republic of Karelia (Russia), Council of Ministers (Bulgaria), Ministry of Interior (Czech Republic), Ministry of Finance (Estonia), Ministry of Justice (Romania), Ministry of Interior (Croatia), Ministry of Labor and Social Security (Turkey), Lithuanian Institute of Public Administration (LIPA), Guangdong province (China), Parliament of Georgia, Murmansk Education Committee (Russia), Lithuanian Foreign Ministry, Czech Foreign Ministry, Development Unit of administration of Estonia's state chancellery, Prime Minister's Office (Namibia), Russian Academy of Public Administration under the President of the Russian Federation, Czech Diplomatic Academy, St Petersburg Water Utility, Academy of Public Administration under the aegis of the President of the Republic of Belarus [6].

HAUS key training areas are diverse: management and leadership, public finances, human resource management, legal training, public procurement, EU affairs, project and process management, communication and presentation, customer service training, wellbeing at work. Public Finances, for example, consists of different programs, such as:

- Public Finance specialist program;
- Financial Controller program (organized with University of Tampere);
- Budgeting;
- Auditing;
- Risk Management;
- Accounting;
- Financial Management of EU projects;
- Taxation (VAT, income and corporate taxation);
- Training organized in cooperation with the Ministry of Finance, State Treasury and the Finnish Government Shared Services Center for Finance and HR [6].

Being presented in figures HAUS looks really impressive: employees – 30, net number – 5,71 million euros (2014), more than 300 training session are arranged annually, almost 10000 people take part in sessions and courses, 1500 consultation days annually.

HAUS aims at providing communication and presentation skills of its customers in such areas as training of trainers, media and PR skills, internal and external communication, crisis communication, social media skills, producing materials to website. Customer service training includes customary service skills of civil servants, electronic customer service, customer service on the phone.

The main study methods in HAUS training programs are blended learning – lectures, presentations, discussions, group work, case studies, leadership and personality assessments, guided self-studies: individual exercises and essays, literature studies; coaching and mentoring, personal development plans, e-learning, distance-learning by video conference system and Skype for business. These activities provide interaction, close link to one's own working environment, close link to working community development, personal development plans.

There is strong emphasis in HAUS on e-learning methods development. E-learning solutions effectively merge images, video, text and real-life simulations. Benefits of e-learning are vivid: large target group and geographically decentralized units are reached; training is centrally coordinated; cost-effectiveness is high. Experiments on e-learning started in 1999. In 2005 a new e-learning platform Optima was chosen in HAUS. Optima is used as a platform for e-learning courses, as well as to support learning on the job. It is also used for information management and networking. Programs including e-learning in HAUS are as follows: programs for top and middle managers; diploma programs on vocational training; programs for experts (financial administration specialists, HRD/HRM experts, etc.

Digitalization is one of the main objectives of the current Finnish Government and included in the Government Program. Today Finland is one of the leading countries in the world in public electronic services. By means of digitalization people and businesses take the central stage in the development of public services. Studies show that the digital skills of Finns are the best in the EU.

E-governance and digitalization in HAUS are as follows:

- Promoting e-Governance and e-services;
- Central development projects and their implications for civil servants (e.g. the Open Data Program, National Service Architecture Program);
- · Access to information legislation and privacy issues;
- Citizen participation and e-Participation;
- Good governance and citizens' right to public information;
- Electronic information and principles of open data;
- Cyber security as enabler of national security and digitalization;
- Information management;
- Digitalization and development of digi-knowledge of civil servants;
- IT-training [6].

Quality Management in HAUS is defined as «Management activities and functions involved in determination of quality policy and its implementation through means such as quality planning and quality assurance (including quality control)».

HAUS Quality Management System (QMS) comprises:

• Customer focus;

- Leadership;
- Involvement of people;
- · Process approach;
- · Continual improvement;
- Factual approach to decision-making [6].

Today the Quality Management System at HAUS includes the methods for continuous improvement of operations, staff members, training programs, learning methods and lecturers. The Quality Management System at HAUS (table 2) is a cycle of planning, doing, checking and acting. It includes

- 1. systematic planning of training program and its objectives (PLAN);
- the training program is then carried out as planned (DO);
- after each program, feedback is gathered from the participants and discussed with the lecturers (CHECK) and after careful assessment of all feedback material, if necessary, amendments are made to the training program (ACT).

In the framework of Quality management system at HAUS the following division of responsibilities is exercised:

Managing director is in charge of the quality management system and takes decisions related to it; HAUS Management Board evaluates the overall quality system and confirms quality management procedures and measures used to develop the QMS; Directors support the Managing Director and lead quality management efforts at the operational level; Head of Communications ensures various parties' awareness of and participation in quality assurance; Training Managers are responsible for quality management in their respective training areas (participants, lecturers, other relevant stakeholders); Training Coordinators and Assistants carry out daily operations related to quality management (e.g. electronic feedback, questionnaires) [6].

One more among the most demanded training area at HAUS is Management and Leadership.

Development as a Manager Program focuses on responsibility of own development.

Management as a Common Resource Program focuses on:

- Common development needs of the organization;
- Continuity, planning of successors.

Joint Management Development of Central Government Program focuses on:

- Common management culture;
- Central role of the Ministry of Finance;
- Policy outlines and models, support of development;
- Future Leaders' Program;
- Joint management training programs provided by HAUS.

HAUS Management Training Programs foresee seminars, manager forums and networks, coaching, assessment of managers, etc.

There are some levels of recruitment and orientation: for first level managers and potential managers (STATE-VIRE), for middle management and leading experts (STATE-JOKO and STATE-JOVA) and for senior managers (STATE-JUST, STATE-TJ, STATE-TYVI). Also assessment of managers, coaching, special programs, management degrees, seminars, other courses, manager forums and networks are available.

Core areas in management training are as follows:

- Change management;
- Strategic management and implementation of strategies;
- · Leadership;
- Economic management;
- Process management;
- Project management;
- Coaching in management and leadership;
- Development of management teams;
- Time management;
- Working community skills;
- Well-being at work;
- Communication skills [6].

Among current topics there are experiments, innovations, digitalization, customers, trust and cooperation, courageous implementation.

All Management Training Programs at HAUS concentrate on the issues characterizing managers' activity at present, for example:

- More centralized management policy;
- Need to increase productivity and strengthen leadership skills;

Table 2 - Quality Management System in HAUS

PLANNED	DONE	CHECKED	ACTED
 HAUS' strategy, mission and vision; Annual plans and annual curricula; Individual training programs. 	 Organization and division of duties; Training programs are carried out; Communication with participants and lecturers; Specifications and adjustments in daily work. 	 Self-assessment; Internal and external assessments; Feedback and indicators; Reporting. 	 Discussions with participants and lecturers; Discussions during staff meetings and HAUS' management board; Amendments to training programs and annual curricula; Training of trainers if necessary; Result and development discussions, e.g. pedagogical development (internal).

Table 3 - 1996-2016 Ranking of Finland

Finland								
Indicators	1	2	3	4	5	6		
Rating	97,16	97,16	100,00	98,56	99,05	98,09		

- Need to support the professionalism of public managers;
- Need for a customer-oriented approach;
- Balance between being a manager and an expert;
- Balance between continuity and change;
- Balance between reduction and renewal;
- Balance between decentralization and recentralization;
- New administrative culture shared leadership.

Directly related to the problem of this article is the global research Governance Matters ranking the world countries according to the quality and efficiency of their public administration systems. The research has been conducted since 1996 using the following worldwide Governance Indicators:

1. **Voice and Accountability** – measures various aspects of political process, civil liberties and political rights (freedom of speech, independence of the press, etc.).

- 2. **Political stability and Absence of Violence** measures stability of public agencies and the government's course, etc.
- 3. **Government Effectiveness** measures the quality of services rendered to citizens, the level of trust to the internal policy pursued by the government, etc.
- Regulatory Quality measures the government's ability to formulate and implement rational policy and legal acts and regulations contributing to the development of private business.
- Rule of Law measures effectiveness of the legal system, the police and the courts, criminality level, execution of contract obligations, etc.
- 6. **Control of Corruption** measures the society's perception of corruption, the level of corruption at the top level of the political hierarchy, the influence of corruption on the economic development, etc. [8].

The latest data available for the period 1996-2013 (published in 2014) ranks all the countries of the world according to the 6 above mentioned indicators from 0 to 100 – the lower the rating on this or that indicator is, the

worse the quality of public administration in the country is. Finland in this Research looks like this (table 3):

The figures speak for themselves. And in conclusion it should be said that the study visit to Helsinki organized by HAUS responsible for civil servants training was really useful and productive, first of all from the point of view of acquiring new information which can be used in the teaching process.

Литература / References

- Republic of Finland. Public Administration
 Country Profile [Electronic resource] // UNPAN
 Document Management System. Mode of access:
 http://unpan1.un.org/intradoc/groups/public/documents/un/unpan023307.pdf. Date of access: 15.09.2016.
- International Rankings of Finland [Electronic resource]
 // Wikipedia. The Free Encyclopedia. Mode of access:
 https://en.wikipedia.org/wiki/International_rankings_of_
 Finland. Date of access: 15.09.2016.
- State administration and central government [Electronic resource] // Information and services for authorities. Mode of access: https://www.suomi.fi/suomifi/english/state_and_municipalities/state_administration_and_central_government/index.html. Date of access: 24.09.2016.
- Evaluation of Public Management Reforms in Finland. From Ad Hoc Studies to a programmatic approach [Electronic resource]. Mode of access: http://l58.132.155.107/oess/POSH/OSH-Research/Evaluation/bench2.pdf. Date of access: 2.10.2016.
- Helsinki Training Center [Electronic resource] // ABB.
 Mode of access: http://new.abb.com/service/abb-university/finland/helsinki-training-center.
 Date of access: 2.10.2016.
- 6. HAUS Finnish Institute of Public Administration [Electronic resource] // HAUS. Mode of access: http://www.haus.fi/Default.aspx?tabid=619. Date of access: 2.10.2016.
- 7. How does the Government work? [Electronic resource] // Valtioneuvosto. Mode of access: http://valtioneuvosto.fi/en/government/how-does-the-government-work-#ministries. Date of access: 15.09.2016.
- 8. Worldwide Governance Indicators [Electronic resource] // World Data Bank. Mode of access: http://databank.worldbank.org/data/reports.aspx?source= Worldwide-Governance-Indicators. Date of access: 24.09.2016.