

Building Innovative Capacity of Public Servants: The Case of Kazakhstan

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ABSTRACT

Innovative capacity receives significant attention from public and private sector organizations, as well as scholars and researchers. Some studies invoke human capital, leadership, organizational changes, and generational differences in their job preferences. These studies have been partly addressed by the OECD, World Bank, World Economic Forum, Mercer and Oracle. However, the assumptions, factors and solutions have not been tested or applied.

The study therefore explores how civil servants see themselves within the civil service system and beyond, as well as how they evaluate current competencies for pursuing innovative endeavors. To this end, a questionnaire was developed to collect data from a study sample consisting of public servants from all regions of the country. Overall, 10,629 civil servants at regional level of public administration participated in the survey. Factor analysis results revealed that work environment and conditions, as well as career, trust and scheduling were strong determinants of innovative capacity. Supplemental Kaiser-Meyer-Olkin Measure and Bartlett's Test indicated factors were sufficient and a reasonably good fit for the conceptual model overall.

Moreover, through a 360-degree assessment tool, data were obtained for each competency in order to identify weaknesses and “growth points” for innovative capacity. Additionally, to investigate how talented public officials (HiPo) could potentially be recruited and promoted, a retrospective analysis of public administration reforms, as well as a comparative case study were conducted, based on the experience of Singapore and Kazakhstan.

Thus, by using factor analysis, a case study and appraisal tools, the paper responds to calls for research and exploration of innovative capacity development for further improvement of state apparatus effectiveness.

Key words: innovative capacity, civil service, case study, survey, Kazakhstan.

Introduction

The public sector is facing growth in citizens' expectations of better and faster service delivery. Work in a civil service and the private sector are fundamentally different in terms of employees' internal motivations: to serve the people, in the first case, and pursuit of private interests, in the second case. James Perry identified public service motivation as “an individual's predisposition to respond to motives grounded primarily or uniquely in public institutions and organizations” (Perry & Wise, 1990). He identified four key dimensions of public serve motivation, including attraction to policy making, commitment to the public interest and civic duty, compassion, and self-sacrifice (Perry, 1996). These dimensions

receive new meaning and discussion through the prism of current global challenges. “The fragility of the post-pandemic recovery shows that the COVID-19 era of complexity is not over. Living in a heightened risk environment - where risks and opportunities intersect in unexpected ways – is the new reality. Whether we call it the Great Resignation or the Great Reassessment, a fundamental change in people’s values is underpinning a structural shift in the labor market” (Mercer, 2022). This is becoming more complicated because we are now at the crossroads of generational change: not only X and Y, but also gen-Z in the workforce. The old methods of onboarding, evaluation and remuneration are not working. The new generation can leave the company at any moment and they cannot be kept either by the brand, or by a good salary, or by prestige. Therefore, successful organizations are leveraging innovative human resources systems through adaptive intelligence and machine learning so they can take care of their employees, who can then take care of their customers (Oracle², 2022).

Citizens and, especially, private sector employees assume that the civil service is a slow-moving bureaucracy. However, if we consider the evolution of the public sector in the past 30 years, it is more innovative that it seems. Digital services, new management approaches, including delegation of power and functions to low levels of administration, introduction of project management, advanced strategic planning, government and citizens collaborating as main public innovation drivers have changed the modus operandi of public authorities. Taking a thorough look at public administration and civil service systems development in Kazakhstan, discovered several logical stages of transformation.

The first stage was marked by the institutionalization of the public administration system. The main documents are Strategy of the Formation and Development of Kazakhstan as a Sovereign State, the Decree of the President “On Civil Service” (had force of Law), and Rules of Professional Ethics. The key results are equal access to civil service, reduction of politicization, establishment of training institutes, contractual basis of the civil service, social guarantees and ethical requirements. Among the post-Soviet countries, Kazakhstan was one of the first to institutionalize the civil service and introduce advanced technologies in personnel management.

The second stage included the implementation of social state principles (“economy first, then politics”, “welfare state”). The main documents are Strategy “Kazakhstan-2030”, Strategic Plan until 2010, and Law “On Civil Service” (1999). The key results are Agency for Civil Service Affairs (1998), the Academy of Public Administration, permanent professional basis of civil service, and legislative division into political and administrative civil servants, establishment of the executive secretary position (2007), competitive basis and professional requirements for entering the civil service.

The third stage was characterized by implementation of strategy and programs aimed at Kazakhstan’s entry into the top 30 developed countries of the world. The main documents are Strategy “Kazakhstan-2050”, Strategic Development Plan until 2020, Concept of a New Model of Civil Service (2011), and Civil Servants’ Ethics Code (2005). The key results are

² Oracle is an American multinational computer technology corporation. The company sells database software, cloud engineered systems, and enterprise software products (for example, Human Capital Management software).

digitalization of the state apparatus, annual assessment of the effectiveness of state bodies, strategic plans, state audits, and creation of Corps “A” of administrative civil service³.

And finally, the fourth stage is marked by further professionalization of the civil service. The main documents are National Plan “100 concrete steps” (2015), new Law “On the Civil Service of the Republic of Kazakhstan” (2015), and legislative acts of constitutional reform (2017). The key results are the number of state programs has been reduced, Open Government, transition to a career model, decentralization of public functions, the role of the Parliament and its control over the Government strengthened, institute of observers and experts during competitive procedures established, a new institution of ethics commissioner created, disciplinary boards transformed into Ethics Boards, implementation of the principles of meritocracy in the system of law enforcement agencies, practice-oriented training of civil servants, etc. (Agency for Civil Service Affairs, 2021).

Key strategic documents pay special attention to the building of a “Professional state with citizens-first vision in mind”. Achieving this goal requires strengthening the competency level of public officials. The reward for accepting new realities and changing the style of management is gaining citizens’ confidence, the ability of civil servants to make timely, correct decisions based on innovative capabilities and ensuring sustainable development of the country. Thus, there is a relationship between the improving the competencies of civil servants and their capacity to provide high-quality public services and deliver public goods to society.

In this regard, the study proposes a conceptual model framing the factors of civil servants’ innovative capacity and gives special attention to the competency aspect through a 360-degree assessment tool. As a result policy suggestions supporting an innovative civil service will be provided. For the purpose of the study the following research questions are addressed.

Research Questions

The main research questions are as follows:

1. What steps are taken in Kazakhstani civil service nowadays on the way to formation of innovative capacity based on the principles of a meritocracy?
2. What has been done and what additional measures are needed to make the system comprehensive taking into account the best foreign practices and opinions of public officials?

Literature review

This section logically and gradually reveals the following aspects of the research topic: adopting “innovation” definition and applying it within the civil service system in terms of human capital. In pursuance of the logical chain global trends in innovative endeavors of state bodies, talent and competencies management of a number of developed countries, as well as Kazakhstani features and practice are investigated.

³ There are two types of civil service in Kazakhstan: the politicians and administrative civil servants. Corp “A” is a senior level of the administrative civil service, which includes managerial positions at higher level of administration (for example, the chairman of the committee at the ministry).

Human capital as a key driver of civil service innovations

Innovation in the public sector refers to significant improvements to public administration and/or services (OECD, 2016). Moreover, the human resource management is one of the strategic objectives that directly affects the ability of public servant to innovate (OECD’s Observatory of Public Sector Innovation, 2023). In a few years the generation Z will surpass the generation X and millennials in the workforce. In order to stay competitive and attractive for talented specialists, organizations are seeking effective human resource management systems that consider and combine multigenerational requests. Compared to previous generations the “zoomers” are highly ambitious and hyperconnected to IT (they are the original digital natives), have an innovative mindset, and also are looking for a healthy work culture, collaborative teamwork and inclusion (Mercer, 2022; Pandita, 2022).

Talent Management is the system or strategy used by organizations to effectively recruit, hire, develop, and retain employees. Employees who are motivated to do their best work and are aligned to the business are more likely to grow in their roles and become leaders in the future. Organizations develop talent management strategies for many reasons. One is to ensure that they are bringing in top candidates with the right attitudes, skills, and experience to match the organization’s culture and vision. Talent management strategies also ensure that employees are properly trained and developed, both to help employees reach their personal career goals and to help organizations develop future leaders, meet performance targets, and retain the best employees (Oracle, 2022).

OECD relates the Workforce and Skills to one of seven key determinants of innovative capacity across work areas and functions of government (OECD, 2022).

Figure 1: Innovative capacity of civil service worldwide



The issues of an innovative approach to the civil service system and its main determinants have been widely considered in the literature, including quality of public

e-services (Lee, 1995; Walker et al., 2001; Jussupova et al., 2019; Amirova, 2021; Bokayev et al., 2021;), innovative development of organizations (Mohr, 1969; Jacques et al., 1978; Rogers, 1985; Grady, 1992; Borins, 1998, 2008; Glor, 2006-2008, 2017, 2023, Bokayev et al., 2022), innovation drivers (Behn, 2008; Agolla et al., 2013; Bloch et al., 2013; Stevens et al., 2016; Kusumasari et al., 2019), innovative transformation (Merritt, 1985; Rogers et al., 2005; Glor, 2007; Carstensen et al., 2012; Sardana, 2015).

Shifting locus of innovation creation: competency based human capital management

According to the World Economic Forum (2022) there are five parameters to the Good Work Standards framework:

1. Fair pay and integrity (one out of three companies globally is working to provide a living wage for all workers. But only 28% of HR leaders are looking at internal/external pay equity);
2. Flexibility and protection (as one of the most critical sustainable workforce practice for companies with more than 10,000 employees. But only 28% of large companies are looking at job security for gig workers);
3. Safety and well-being (97% of companies have plans to promote long-term employee health and well-being. However just 36% are introducing a mental or emotional well-being strategy);
4. Diversity, equity, inclusion and social justice (28% of companies have a multi-year, public DEI strategy. And just 1 of 3 leaders has DEI metrics tied to their own performance ratings);
5. Employability and learning culture (companies that expect their employees to be highly energized this year spent 61% more on reskilling last year, and they are more likely to use workforce planning technology focused on skills rather than headcount).

Starting from the literature review, this paper proceeds with international benchmarking in order to identify a comprehensive response to the research questions. The main principles considered in selecting countries for comparative analysis were:

- A positive correlation according to the OECD of this country to states with an innovative civil service model;
- Countries with a predominantly career civil service system.

The analysis of foreign countries' experience showed that there is no unified approach to the civil service innovative transformation. Different governments promote and evaluate innovation effects in different ways. Depending on the initial historical features and potential, countries pay more attention to development of IT, human capital, collaboration, adaptive management and other components of public sector improvement (Table 1).

The historical, cultural, political, economic, social and demographic context within which each government operates is different, as well as the legacy of business processes and technology implementation. Consequently, the competency framework of innovative capacity is not a "one-size-fits-all" prescription for what a government should look like in future.

Table 1: Comparative analysis of public servants’ competencies for an innovative civil service

Country	United Kingdom	Canada	USA
Competencies	<ul style="list-style-type: none"> • Ability to see the big picture • Changes and improvements • Effective decision making • Leadership and communication • Interaction and partnership • Long-term economic results • Ensuring value for money • Public Services Quality Management • Timely execution 	<ul style="list-style-type: none"> • Values and Ethics: Honesty and Respect • Strategic thinking: analysis and new ideas • Mobilization of people, organizations, partners • Management Excellence: Human Resource Management, Financial Management 	<ul style="list-style-type: none"> • Drive the change: Creativity and innovation, Internal awareness, Flexibility, Adaptability, Strategic thinking, Vision; • People management: Conflict resolution, Effective use of diversity, Team building; • Result Orientation: Responsibility, Public services customer orientation, Decisiveness, Entrepreneurial potential, Problem solving, Technical capabilities; • Business qualities: Financial management, Human Resource Management, Technology Management; • Coalition building: Establishing partnerships, Political experience, Impact / Negotiation
Country	South Korea	Estonia	Germany
Competencies	<ul style="list-style-type: none"> • Communications • Customer focus • Vision • Coordination and integration • Achievement of results • Professionalism • Innovation • Cognitive ability and understanding • Strategic thinking 	<ul style="list-style-type: none"> • Knowledge of the law • Self-organization • Political Decision Making • Strategic leadership • Communications • Process management • Cooperation • HR Administration • Resource management • Networking 	<ul style="list-style-type: none"> • Ability to understand and implement • Ability to think and make proved judgments • Ability to make decisions • Ability to do conceptual work • Ability to cope with stress • Ability to speak and write publicly • Organization skills

Methodology

The article has an exploratory and multi-stage research design. Following the literature review and comparative analysis, this study adapts a new approach to develop an empirically proven framework of civil servants’ innovative capacity. The model is verified empirically by collecting primary data through a survey among civil servants from all the regions of Kazakhstan. The research paper proposes a comprehensive framework to identify an accurate group of competencies and assesses results.

For the purposes of a comprehensive analysis a case study of foreign country with an innovative civil service compared to Kazakhstan. Based on these results concrete recommendations for further improvement of Kazakhstani civil service system are proposed in order to add additional weight and meaning to the literature, as well as implement suggestions into practice.

A case study is a research approach that is used to generate an in-depth, multi-faceted understanding of a complex issue in its real-life context. A collective case study involves studying multiple cases simultaneously or sequentially in an attempt to generate a still broader appreciation of a particular issue (Slight et al., 2011). The research logic of comparative case study approach involves the following steps, including country name, context, objective, study design, case description, data collection strategy, analysis, key findings.

Moreover, to analyze civil servants' innovative capacity, an anonymous survey was conducted (from the 19th of April, 2023 till the 20th of May, 2023). Dissemination of a link to the online survey was carried out through a branch structure of the Agency for Civil Service Affairs and the Academy of Public Administration, which is represented in all regions of the country. In total, 10,942 Kazakhstani civil servants took part in the survey. About 10,629 of them are representatives of the regions (97% of the respondents). Taking into account that the actual staff numbers in local executive bodies as of January 1, 2023 were 39,681 people (with a staff headcount of 41,934 units), it was decided to focus the results of the study on the answers of respondents from the regions, who were about 27% (or about 1/4) of local civil service.

At the same time, the major share (83%) of survey participants was representatives of the executive level (leading and chief specialists). In demographic terms, more than half (64%) of the respondents were females. The median age of respondents was 39, which is in line with the median age for the entire civil service (Agency for Civil Service Affairs, 2023).

The results of the survey were measured two ways. First, factor analysis has carried out in order to confirm the validity of the proposed model. Secondly, through the 360-degree assessment tool, data were obtained for each competency by the parameters of each respondent, colleague, supervisor and the head of the organization (Appendix A).

Findings

This section begins with the comparative study of the civil services of two countries: Singapore and Kazakhstan. Since the research paper is focused on the human capital component of public service innovation, Kazakhstan is compared to the most significant example of a country that has emphasized and achieved high results increasing the quality of human resources, Singapore.

Comparative Case-study of Civil Service Innovation: Singapore and Kazakhstan

The Global Talent Competitiveness Index ranked Singapore as the world's second-most talent-competitive country after Switzerland in 2022 (INSEAD, HCLI, Portulans Institute, 2022). Singapore's success relies not just on individual talent but on a national strategy where all stakeholders work together to emphasize talent as key to the country's economic development. It is the collective efforts of multiple agencies and a single-minded government that seeks to incorporate cross-border talent flows, diaspora mobility, and effective policies to attract, grow, and retain talent nationally. The Singapore government views education as fundamental to its progress in all forms – human capital development, economic growth, and social cohesion (McNulty et al., 2019).

There are main agencies of talent management policies in the civil service of Singapore: Public Service Commission, Public Service Division, and Civil Service College.

The Public Service Division of Singapore has a Transformation Office and Innovation Lab that is “charged with building innovation capabilities and mindsets across the entire public service”. The transformation work is focused on:

- improving service delivery: more customer-centric (“Life project” digital application);
- building a digital government as part of Singapore’s vision to be a Smart Nation (Digital Government Blueprint);
- working with citizens closely;
- preparing every officer for the future: every public officer will learn and reskill, and adapt to changes.

Every officer will pursue innovation and be open to new ways of working. The Civil Service College has launched LEARN, a mobile platform to enable officers to learn anytime, anywhere (Public Service Division, 2020). The Public Sector Innovation Process Framework includes principles from a range of fields, including design thinking, behavioral insights, and organizational development. Since its inception in 1951, the public service has approached leadership development among its people using three guiding principles: “get the best people, give them challenging work, and pay them well” (Neo & Chen, 2007).

According to the OECD Kazakhstan formed its own civil service system combining elements of professional and strategic models nowadays (OECD, 2018). The next step is a transition to an innovative and client-oriented civil service focused on the needs of society. Similarly, the administrative reform in the country gradually adopted the principle of serving the people. Thus, one of the latest documents that comprehensively addresses public sector reform in the country is the Concept of Public Administration Development in the Republic of Kazakhstan until 2030: Building a “human-centered” model – “People first”.

In the light of new realities and building innovative capacity, in recent years emphasis has been placed on improving the quality and competitiveness of civil servants, and increasing the attractiveness of the civil service as an employer. In particular, the most relevant are the following initiatives.

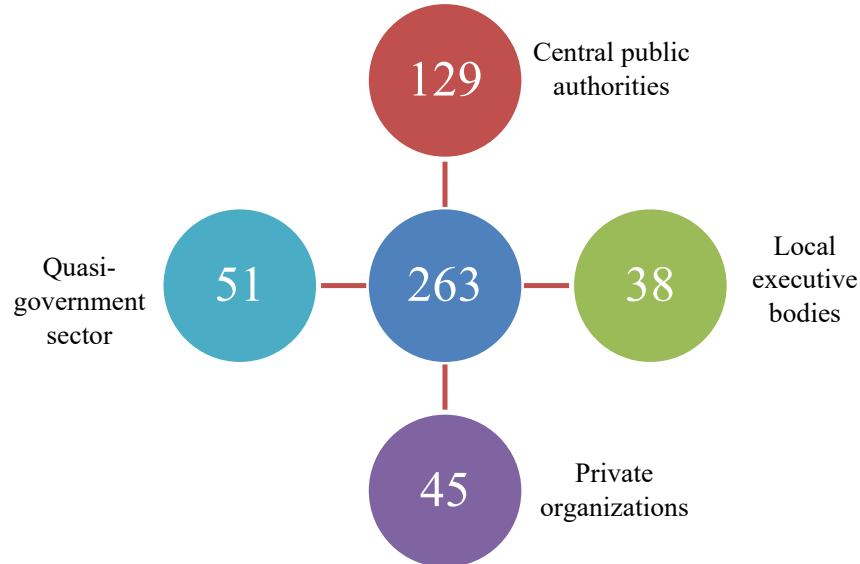
No. 1. Attracting the best graduates to the civil service. Such specialists, who successfully graduated from higher educational institutions with a government grant, will be able to be appointed without competitive selection to grassroots positions at the district and village levels. Also, there is the possibility of direct appointment to the highest positions without competitive selection if the authorized body is in agreement.

No. 2. State bodies are given the opportunity to attract a specialist under a temporary contract (agreement) to carry out a specific project. Such workers will not hold civil service position, as they will be recruited for a set period of time.

No. 3. Proactive practice of remote monitoring where actions are taken without waiting for customer complaints. Last year, the Agency for Civil Service Affairs conducted 756 inspections in the field of public services delivery. As a result, about 46,000 violations were revealed, 602 officials were imposed by disciplinary liability, and 305 officials – administrative liability.

No. 4. Creation of a Presidential Youth Talent Pool for the public sector. Two sets were identified on a competitive basis: 300 and 50 people. Out of a total of 350 people, 263 people (75%) are currently employed by central and local public authorities (Figure 2).

Figure 2: Appointment of reservists of the Presidential personnel reserve



The next recruitment will take place this year and will be conducted taking into account specific industry needs. The emphasis will be placed on specialists in the fields of energy, education, IT and so on (8 industries in total). Thus, the presidential youth personnel reserve is a proactive promotion of talented young people (the age limit is up to 35 years).

No. 5. Digitalization of the selection system for the civil service. From March 1, 2023, the Agency for Civil Service Affairs launched a pilot test of a new selection system for the civil service in five state bodies based on the E-kyzmet portal (digital platform for HR processes in the civil service system). The competitive procedure allows candidates to participate in the competition at all stages, at any time and from anywhere in the world, except for the interview, which takes place at a predetermined time. The E-kyzmet system is integrated with all major information systems and allows candidates entering the civil service not to waste time collecting documents. Obtaining information about the applicant from other information systems, checking his/her criminal record or involvement in other offenses, examining compliance with qualification requirements - the system will automatically do this.

Summarizing the results of the country comparative analysis, Table 2 introduces the findings for key initiatives in the civil service systems of the two selected countries.

Continuing the logical chain from the previous two tables, it should be noted that when studying the issue of innovation capacity, the qualities of values and competency attitudes of civil servants are inseparable. In Kazakhstan at present, a doctrine has been developed on the professional and personal qualities of civil servants in the model “human-centered” public administration.

Table 2: Summary of comparative case study results

Parameter	Singapore	Kazakhstan
Context	Innovative capacity of civil service in terms of human capital	Innovative capacity of civil service in terms of human capital
Objective	To understand the historical basis and reveal the new opportunities	To investigate current initiatives and learn from “quick wins”
Study design	Comparative case study	Comparative case study
Case description	Remarkable macro management policy for talent acquisition and retention	Centered on the new initiatives in talent management, meritocracy and Good Governance
Data collection strategy	Examined official web-site of state bodies, literature review, critique	Examined official web-site of state bodies, literature review, critique
Analysis	Three principles of talent management in Singapore: (1) the crucial role of talent and leadership for good governance; (2) meritocracy as the basis for selection, deployment, promotion and retention; and (3) employing people of integrity and honesty.	Amendments to the Law on Civil Service have been adopted allowing the civil service to become more flexible, transparent and innovative.
Key findings	Comprehensive approach to human resource management in civil service. The Transformation Office’s Innovation Lab spreads the culture of innovation in three key ways: 1) teaching individual public officers to be innovative through training sessions (innovative mindset) and “makeathons” (less tech-focused, public officers collaborate with citizens to identify challenges, user-test and come up with solutions); 2) public sector transformation awards; 3) coaching agencies to deliver innovation projects.	Fragmentation of talent management policy. Lack of clear policy approaches to building innovative capacity of civil servants.

Source: Agency for Civil Service Affairs of the Republic of Kazakhstan; Civil Service Division of Singapore; Neo & Chen, 2007

In order to understand current perceptions of development and implementation of innovative solutions in regard of policy making, a factor analysis of the Kazakhstani civil servants’ innovative capacity was carried out based on the survey results.

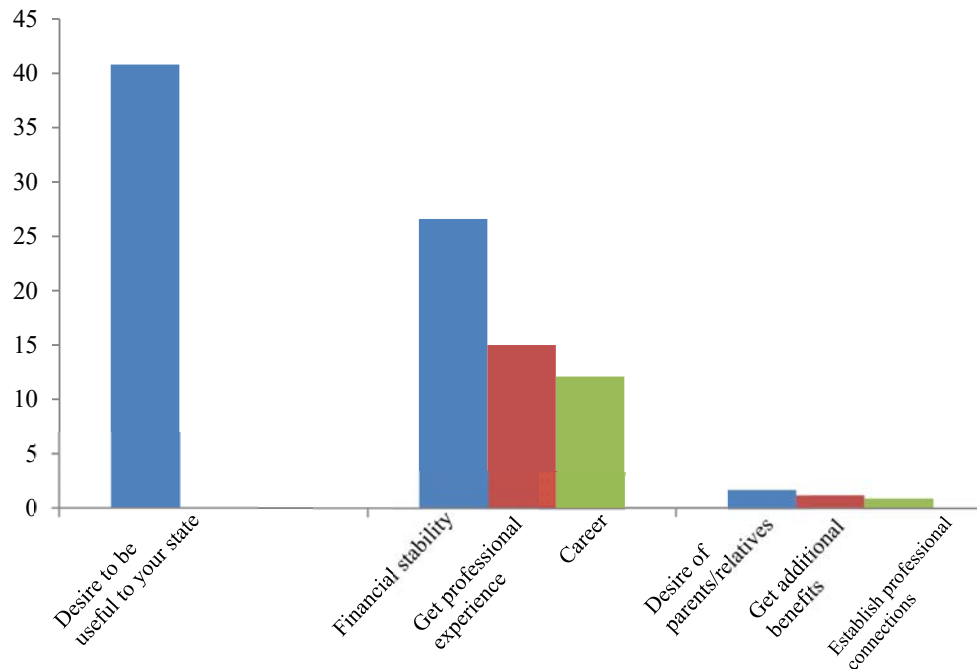
Results of the survey

As described in the methodological section, the study was conducted for a month this year among existing civil servants in all regions of Kazakhstan. Respondents were asked a

list of questions that covered not only their demographic profile, but also asked them to think about reasons for entering the civil service, assessed the current level of development of the system, as well as the competencies characteristics of a modern civil servant.

According to the survey results, the authors identified the top four reasons specialists come to civil service. The key reason Kazakhstani citizens enter the civil service is a “Desire to be useful to your state” (41%). The other reasons, in descending order, are “Financial stability” (27%), “Get professional experience” (15%), and “Career” (12%). Other reasons, which amount to about 5%, included “Desire of parents/relatives”, “Get additional benefits: an apartment, land, money”, “Establish professional connections”. Thus, more than half of the respondents (59%) look to the civil service system to meet their personal goals. A separate cohort of respondents perceives this area as an opportunity to gain primary professional experience or receive material and other benefits (Figure 3).

Figure 3: Reasons to choose the civil service system



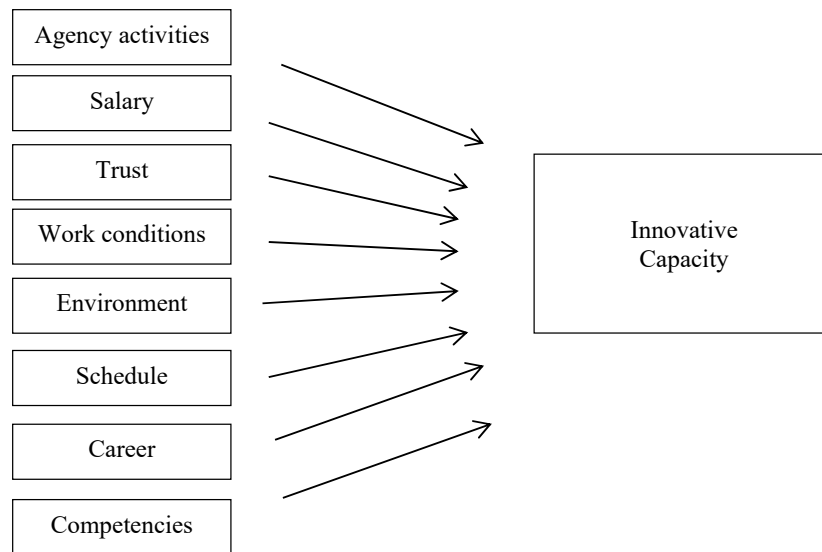
In this regard, there is a growing need for a more in-depth study of the competencies characteristics of civil servants, as well as the development of proposals for retaining professional personnel in the system. As identified in international practice (Singapore, USA, European Union, United Kingdom), it is much more expensive for an employer to find a new employee than to retrain an existing employee. Based on the literature review and comparative case-study, the constituent elements of Kazakhstani civil servants’ perceptions of innovative capacity were identified (Figure 4).

A total of eight items were selected by the experts from the Academy of Public Administration under the President of the Republic of Kazakhstan⁴ to construct the structural

⁴ The research project titled “Scientific and methodological substantiation of the processes of development of the civil service and the transformation of the activities of state bodies in the context of the construction of a

model of the innovative capacity of civil servants. The factor structure was specified, based on a literature review and case study (OECD, 2016, 2022; Neo and Chen, 2017; McNulty and Kaveri, 2019; Walker et al., 2001; Lanvin and Monteiro, 2022; Pandita, 2022). Particularly, according to Mercer (2022) the salary, work conditions and environment, as well as schedule and organization activities are becoming more significant factors, regardless of work force generations' preferences. Besides this, the OECD (2022) identified competencies (soft skills) as one of the crucial elements of innovation capacity for both public and private organizations. Moreover, an analysis of Singapore's experience in attraction of talent and highly motivated specialists into its civil service confirmed the importance of trust for a state executive body as an employer and for potential career opportunities within the civil service (McNulty and Kaveri, 2019).

Figure 4: Conceptual Framework



These factors provide the basic conditions for the functioning of the organization. Without “satisfying” employees’ basic needs, it is impossible to them to strive for things of a higher order. For an in-depth study of innovative capacity, it was necessary to focus on the competency characteristics of a civil servant, which are discussed below. Following the analysis of each construct, a full measurement model, including all constructs, was developed to estimate the relationship among latent variables. The measurement model identified covariance among all variables and estimated how well the scale items together revealed the relationship among the variables.

During evaluation of the structural model, the researchers assessed overall fit of the model in order to judge whether the model sufficiently represents the set of causal relationships. This is done through several measurement tools, including Kaiser-Meyer-Olkin Measure of Sampling Adequacy, Bartlett's Test of Sphericity, Commonality for each variable (Table 3).

New Kazakhstan”, carried out within the framework of program-targeted funding of the Committee of Science of the Ministry of Science and Higher Education of the Republic of Kazakhstan (BR18574203)

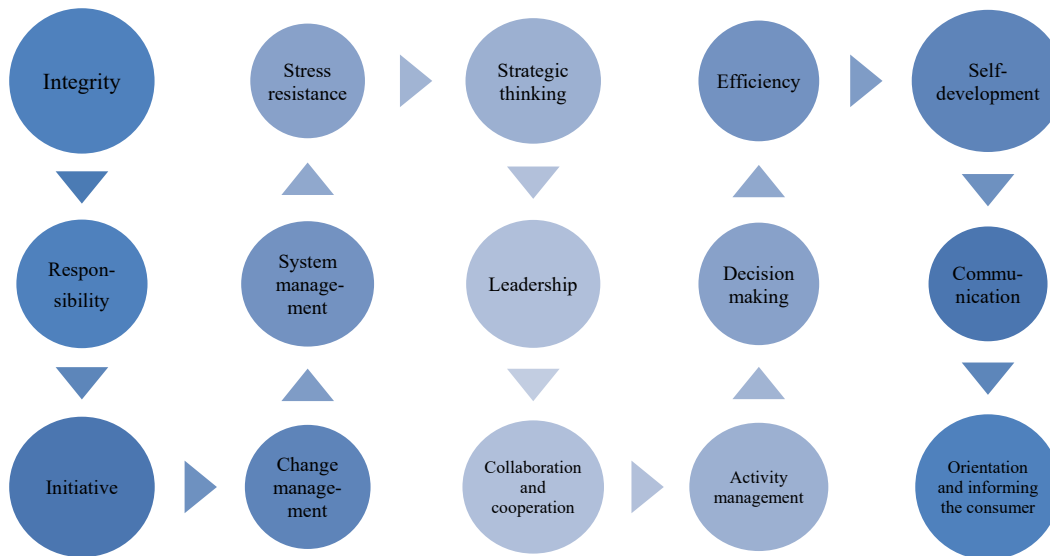
Table 3: Measures of Conceptual Framework testing based on survey results

N	Measures	Required parameter	Survey results
1	Kaiser-Meyer-Olkin Measure of Sampling Adequacy	higher than 0.5%	.840
2	Bartlett's Test of Sphericity (Sig.) p<0,001	less than 0,05%	.000
3	Commonality for each variable:	higher than 0.4%	
	- Innovative Capacity		.590
	- Agency Activities		.352
	- Salary		.235
	- Trust		.539
	- Work conditions		.563
	- Environment		.643
	- Schedule		.457
	- Career		.554
	- Competencies		.399

The factor model achieved a reasonably good fit, as shown in Table 3. The KMO-test found the items were sufficient measures for each factor. The proposed conceptual framework is significant according to the p-value score of 0.000. Besides this, the Commonality test values for six factors were greater than 0.4%. Work environment and conditions, in particular, as well as career, trust and schedule were strong determinants for innovative capacity. Besides this, competencies and employer activities also affect the innovativeness of civil servants.

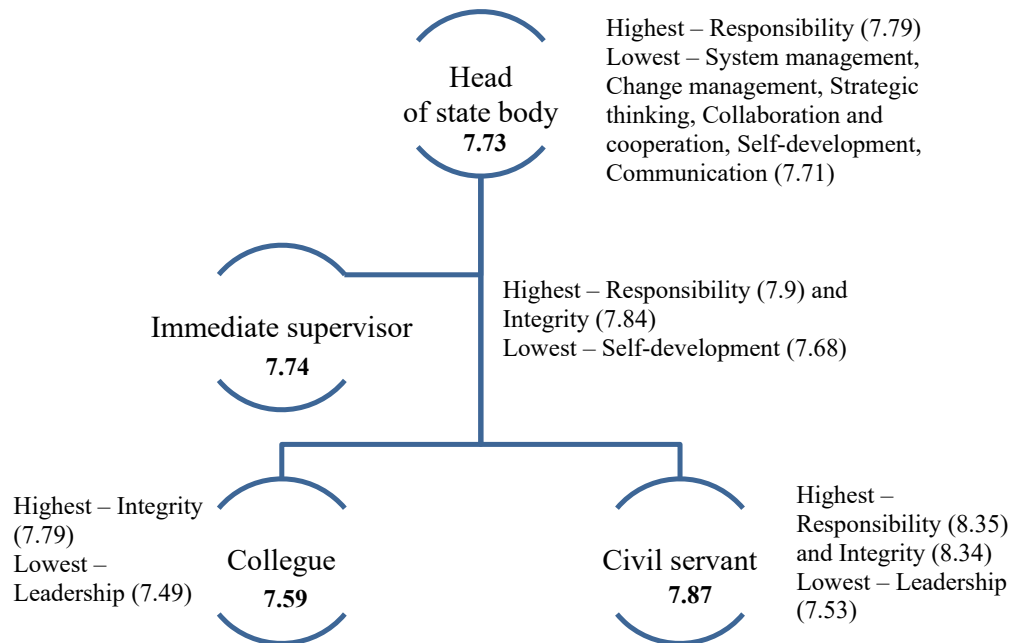
Following the research logic specified in the methodological section, the study analyzed current civil servants' level of competency for further improvement in their innovative capacity. The moral and ethical image of modern Kazakhstani civil servants is one of the priorities for further development in the civil service. For the purposes of the study, a list of 15 competencies was developed based on the current Kazakhstani Competencies Framework (Decree, 2018) to apply the 360-degree assessment tool (Figure 5).

Figure 5: Competencies of Kazakhstani civil servants



In contrast to the general assessment of Kazakhstani civil servants' innovative capacity, the respondents rated their own competencies, as well as the competencies of their colleagues and managers quite highly (Figure 6). Average scores varied from 7.59 to 7.87 out of 10.

Figure 6: 360-degree appraisal tool of competencies of civil servants for building innovative capacity



The appraisal outputs shown in the Figure 6 are more likely to have positive result. However the in-depth analysis indicates insufficient development of leadership skills at the executive level, while managerial positions have the lowest scores for self-development. Moreover, about one of four respondents rated certain competencies as being at a low level (estimates less than 5 out of a 10-point scale⁵). Overall, based on respondents' responses the current level of civil service reform in Kazakhstan is scored 5.86 (out of a 10-point scale). This value indicates the need to take more drastic steps towards improvement of civil service quality and efficiency on the way to its transition to "innovative" path.

Discussion

Based on the research findings, a number of recommendations were developed. Before proceeding to system-wide measures, the changes that have occurred recently in the public administration system and the key priorities for the country's development are discussed.

⁵ The 360-degree assessment tool applies a 10-point scale, where scores from 1 to 5 indicate lower level of competencies compare to scores from 6 to 10.

The case study section shows the innovation is rapidly moving to the top of the political and administrative agenda in many advanced countries. According to the European Union's Innobarometer survey of private sector corporations about 66% of governmental organizations in the EU27 countries had implemented public service innovations. The most common forms including creation of ministerial innovation units, publication of white papers on innovation, formation of innovation labs, increasing the quality of public service delivery, a growing expectation that public managers and employees will assume responsibility for fostering innovation, and proliferation of training programs that aim to qualify them to do so (Borins, 2008; Gow, 2014; Kusumasari et al., 2019). Many countries have approved and applied new strategies and a vision for mid and long term transformation: Government Transformation Strategy and Government Technology Innovation Strategy of the United Kingdom, Vision of Innovative Civil Service of Singapore, Abu Dhabi Strategy 2030, National Strategy for Advanced Innovation of UAE, etc. Advanced countries are shifting the locus of value creation not only by adopting innovative strategies, but rethinking the vision and mission of government, as well as the values and competencies of public officials.

Kazakhstan also approved new strategic documents (National priorities until 2025, National Development Plan of Kazakhstan until 2025, Concept of the development of the public administration system until 2030, Concept of Data-driven Government) that determined the direction of further development of the state. The connecting thread among Kazakhstan's strategic plans is that the interests of citizens and "Quality of institutions" considered as a key area of the country's national priorities. It represents guidelines for a new model of public administration. In the National Development Plan of Kazakhstan until 2025, this priority is disclosed, aspiring to bring about fundamental changes by 2025:

- 1) creating the necessary conditions for unhindered access to information, openness, and transparency of the activities of the state apparatus (capacity for public monitoring of the implementation of programs and policies, digitalization of public services);
- 2) shifting from complex processes for performing actions to managing for results and quality changes based on an integrated approach producing effective of public administration and measuring the real needs of society and business;
- 3) moving away from a bulky state apparatus to a compact, efficient, flexible and "human-centered" state apparatus with high controllability and well-structured activities;
- 4) switching from operational management and excessive control over the execution of individual orders to project management and concentration on the implementation of strategic documents;
- 5) shifting from a formalized approach in the field of public services to proactive provision of services based on the requests and future expectations of citizens.

One of the keys to success is the innovative capacity of employees and their empowerment by leaders. "It is impossible to take a place in the advanced group, while maintaining the previous model of consciousness and thinking. Therefore, it is important to concentrate, change yourself and adapt to changing conditions to take the best of what the new era brings" (Nazarbayev, 2017). Thus, it is important to change not only the model of public administration, but also to increase the awareness of public sector employees:

- knowledge – continuous improvement in knowledge and skills as an opportunity to be “one step ahead” and meet current needs;
- competitiveness for a civil servant is the presence of basic competencies in accordance with the unified framework of competencies and the development of new competencies;
- pragmatism – a clear statement of goals, use of well-thought-out tools and methods, means to achieve them, and measures taking into account economic indicators;
- evolutionary development – ability to implement new approaches of management while preserving the national path of development;
- open mind – ability to manage changes and anticipate hidden opportunities using the latest technologies (Zhakypova et al., 2017).

Governments worldwide are striving to improve their civil service systems. The comparative analysis showed that there is no universal or standard model of civil service. However, many countries are focused on strategic development and implementation of the citizen-centric principle, collaboration, digitalization, different types of management (project, strategic, talent, change). Key features of an effective civil service include merit-based and neutral, well-structured and right “sized”, well-paid, accountable and professional, relatively autonomous, responsive, free of corruption, well-trained, performance oriented, open and representative (UNPAN, 2000). The main trends in civil service development include:

- a gradual shift towards using objective criteria in recruitment and promotion, although patronage is still an influential factor;
- attract competent individuals to the civil service on competitive compensation schemes, incentives to encourage better levels of civil servants’ performance;
- recognition that training and capacity building of public human resources enables governments to improve policy formulation, implementation processes and delivery of public services;
- innovation is becoming an integral part of civil services. Various methods of evaluating the implementation of innovations are used, including stimulation of civil servants’ innovative activity;
- civil service transformation is a permanent process. With this in mind, adaptive management is being introduced.

The difficulties strengthening innovative capacity among civil servants include avoidance of personal responsibility, lack of understanding of the overall task and synchronization of goals in structural units, as well as the problems of goal-setting and corporate culture. Despite monetary (bonuses on Key Performance Indicators) and non-monetary (Competition “The Best Civil Servant”, Presidential Personnel Reserve, charitable actions) rewards, the majority of civil servants are not particularly interested in introducing initiatives nor taking responsibility for everyday routine work. The reason, according to the experts (Zhakypova et al., 2017; OECD, 2018), lies in the avoidance of responsibility at all levels of government.

As one respondent noted, the punishment for untimely and poor quality work is mainly born by the executors. Discipline of such employees is considered at the Interdepartmental Commission, which includes middle managers (Directors of departments), chaired by the Head of Apparatus. Thus, the people who decide on punishment are not interested in taking responsibility for it. Also, bureaucracy has shifted responsibility between structural units. Usually, orders are redirected from one department to another close to deadlines. All these and other problems occur due to the lack of a common unifying mission and on organization strategy, as well as the lack of a corporate culture based on mutual assistance and joint responsibility.

Organizations today are expected to have a heart and to make measurable progress against goals relevant to all stakeholders: diversity, equity and inclusion by co-creating the new shape of work. They are striving to become more relatable, taking on the values and personalities of their people and their communities. These relatable organizations have homed in on a few key success drivers: resetting for stakeholder relevance, building adaptive capability in their people and processes, figuring out how to work in partnership and tackle inequalities, driving outcomes in employee health and total well-being, incentivizing employability, and harnessing energy for the collective good (Mercer, 2022).

Conclusion

The survey of Kazakhstani civil servants, the retrospective analysis and the case study found “bottlenecks” in the public administration system in terms of empowering human capital. The study of major trends in civil service transformation in foreign countries showed that more and more countries are creating innovation hubs or establishing management units embedded in the structure of the government organization that are responsible for the development of the civil service system. In addition, indicators and indices of innovation are being introduced into existing performance evaluation systems. At the same time, innovation is not only management of talents, but also support for both civil servants and citizens in an attempt to improve the public administration. This paper has systematically and logically addressed the tasks set at the beginning of the study. Answers to all the research questions were obtained. Particularly, to answer for the first research question (“What steps are taken in Kazakhstani civil service nowadays on the way to formation of innovative capacity based on the principles of a meritocracy?”) from comparative case-study analysis five key innovative solutions were identified. Secondly, a number of policy recommendations proposed as a solution for another research question (“What has been done and what additional measures are needed to make the system comprehensive taking into account the best foreign practices and opinions of public officials?”). The proposals developed from the research results would contribute to the achievement of the goals set in the country’s strategic documents to create a new model of public administration which is innovative, transparent and citizen-oriented.

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Appendix A: Fragment⁶ of the survey questionnaire (part of the 360-degree assessment)

[...]

II. CIVIL SERVANTS' COMPETENCIES

9. How would you rate the overall level of your competencies to perform duties?

Very low 1 2 3 4 5 6 7 8 9 10 Excellent

10. Please rate the level for each of your competencies⁷

Competencies	0	1	2	3	4	5	6	7	8	9	10
Integrity											
Orientation to the consumer of services and informing the consumer											
Responsibility											
Initiative											
Stress resistance											
System management											
Change management											
Strategic thinking											
Leadership											
Collaboration and cooperation											
Activity management											
Decision making											
Efficiency											
Self-development											
Communication											

11. Please rate the level for each competency of your immediate supervisor

Competencies	0	1	2	3	4	5	6	7	8	9	10
Integrity											
Orientation to the consumer of services and informing the consumer											
Responsibility											
Initiative											
Stress resistance											
System management											
Change management											
Strategic thinking											
Leadership											

⁶ This section is a part of a larger study on civil servants' social status, which was also funded by the Science Committee of the Ministry of Science and Higher Education of the Republic of Kazakhstan (BR18574203)

⁷ 0 – “I do not have these competencies”; 1 - very low level; 10 - very high level

Collaboration and cooperation											
Activity management											
Decision making											
Efficiency											
Self-development											
Communication											

12. Please rate the level for each competency of the head of your state body

Competencies	0	1	2	3	4	5	6	7	8	9	10
Integrity											
Orientation to the consumer of services and informing the consumer											
Responsibility											
Initiative											
Stress resistance											
System management											
Change management											
Strategic thinking											
Leadership											
Collaboration and cooperation											
Activity management											
Decision making											
Efficiency											
Self-development											
Communication											

13. Please rate the level for each competency of your colleague, who is at the same level/in a similarly titled position as you are?? on the same positions with you

Competencies	0	1	2	3	4	5	6	7	8	9	10
Integrity											
Orientation to the consumer of services and informing the consumer											
Responsibility											
Initiative											
Stress resistance											
System management											
Change management											
Strategic thinking											
Leadership											
Collaboration and cooperation											
Activity management											
Decision making											
Efficiency											
Self-development											
Communication											