

OECD PUBLIC GOVERNANCE REVIEWS: CZECH REPUBLIC

**Towards a more Modern and
Effective Public Administration**

HIGHLIGHTS





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INTRODUCTION

Governments are increasingly faced with complex, multidimensional policy challenges that require whole-of government coordinated responses across multiple sectors. They are also confronted by multiple, successive crises such as the COVID-19, inflation pressures and the Russia's war of aggression against Ukraine. In this new global context, governments need to strengthen their resilience to unexpected shocks, while also delivering on immediate priorities and long-term commitments, and ensuring the high quality and continuity of public services.

Prior to the current set of crises, the Czech Republic had managed to keep inequalities at a low level and citizens expressed a generally high satisfaction with the delivery of key public services. During the recovery phase of the COVID-19 crisis, the Czech Republic has, as in many OECD

countries, had to weather the effects of the War in Ukraine that bears economic and social challenges, from inflation to energy insecurity and inflows of refugees putting additional pressure on social services and public finances. Decarbonizing and digitalising the economy remain major crosscutting challenges ahead for the country, despite recent efforts particularly in curbing greenhouse gas (GHG) emissions. Against this backdrop, increasing the effectiveness and modernising the public administration in the Czech Republic can enhance the quality of public services to citizens across the entire territory, encourage a more citizen-centred and digital administration and help address crosscutting challenges.

The OECD Public Governance Review of the Czech Republic assesses the capacities of the public sector and supports the government

in engaging in ambitious public governance reforms under the aegis of its Public Administration Reform Strategy 2030, “Client-oriented public administration 2030”. The review points to priority areas for reform at the national and local levels that encompass citizen engagement, strategy and policy coordination, digitalisation, evidence-informed policymaking, civil service and the public administration at regional and local levels. The report also examines the COVID-19 governance arrangements in the country and its resilience to future shocks. Based on this analysis, it provides recommendations to promote an inclusive, evidence-based, efficient and resilient approach to public governance at all levels of government. The final aim of this work is to deliver better results and services for

citizens and to reinforce citizen engagement and their trust in public institutions.

The evidence and data collected for this Review contributes to the OECD’s broader programme of work on effective, innovative, fit-for-the-future and digitally-enabled government and citizens-centred services, and on reinforcing trust in government. The OECD stands ready to further support the Czech Republic’s ambition towards a better public administration, notably through the implementation of the recommendations of the Review.

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OVERVIEW OF THE ASSESSMENT AND RECOMMENDATIONS

After a period of fast growth, the Czech Republic has been hit by the COVID-19 crisis followed by the impacts of the War in Ukraine, as is the case for many OECD member countries. The country is facing a number of headwinds with soaring inflation and cost-of-living, the refugee crisis, concerns around regional inequalities and the need to accelerate its green transition against persistently high carbon emissions. Trust levels in government and in the civil service stand significantly below the OECD average and satisfaction with public services is uneven. Public governance reforms, particularly on improving governance

arrangements to address crisis and crosscutting challenges such as climate change and digitalisation and on enhancing the efficiency, agility and responsiveness of the public administration at central and local levels are instrumental to restoring trust in the government, overcoming the effects of the recent crises and addressing future challenges.

The Czech Republic has developed a set of stable, firmly-established governance frameworks, instruments and rules, but needs to further modernise and enhance the effectiveness of its public administration

and public services to be fit for these challenges. The Ministry of Interior has developed a public administration reform strategy (PAR), “Client-oriented public administration 2030” to modernise the public administration. The PAR covers crucial reform areas, such as enhancing the quality and accessibility of public services, improving the coordination, digitalisation, and capacities of the public administration and fostering citizen participation. However, its implementation has been hampered by a number of obstacles linked to shortcomings

in whole-of-government coordination, limited capabilities across the administration and a lack of political steering. The PAR and the present Review aim to help the Czech public administration develop governance arrangements, capabilities and instruments to address contemporary governance challenges, ranging from raising public sector efficiency, enhancing coordination at all levels of government and increasing citizen participation, to embracing the digital and green transitions.

The Public Governance Review of the Czech Republic provides recommendations in seven different areas of public governance

1. Fostering citizen and stakeholder participation
2. Improving policy co-ordination and strategic planning at the centre of government
3. Promoting evidence-informed decision making
4. Strengthening public administration at the local and regional level
5. Accelerating the uptake of digital government tools and the development of user-driven digital services in government
6. Attracting and develop skills in the public service
7. Strengthening co-ordination mechanisms for efficient crisis management



CHAPTER 1

Fostering citizen and stakeholder participation



Overview and key challenges

Developing a citizen-centered administration and further engaging citizens is a crucial objective of the Ministry of Interior's public administration reform strategy "Client-oriented public administration 2030". Islands of good practices in terms of citizen and stakeholder participation exist across the whole Czech central administration and at the local level. Notably, the country has a strong culture of creating advisory and working bodies that include different types of non-public stakeholders. However, existing participatory processes often lack impact and there is currently no overarching vision for citizen and stakeholder participation across the public administration. Moreover, participation is often limited to the "usual suspects" and guidance, co-ordination and sharing of good practices needs to be reinforced.

Recommendations

Strengthen the enabling environment for citizens' participation in the Czech Republic: Moving from *ad hoc* practices to institutionalised mechanisms

- Consider adopting a single definition of citizen and stakeholder participation to inform the public about the extent and limitations of participation and align all stakeholders and policymakers towards the same goals.
- Consider creating a centre of expertise on citizen and stakeholder participation to raise levels of implementation, harmonise practices across public institutions, and provide public institutions and officials with practical support (guidance and technical tools).
- Consider mandating the establishment of a unit or person dedicated to citizen and stakeholder participation in every public

institution when appropriate considering the activities and size of the institution.

- Consider designing an integrated open government strategy that includes a strong participation component to anchor the participation agenda in a broader context and fully exploit synergies with initiatives to promote transparency and accountability.
- Consider extending the mandate and composition of the existing Council for Non-Governmental Non-Profit Organisations and transform it into the Government Council for Citizen and Stakeholder Participation.
- Consider reviewing the legal and regulatory framework for citizen and stakeholder participation.

Foster participation literacy in the Czech administration and in the wider society

- Consider updating the existing Methodology and Manual for Public Involvement in the Preparation of Government Documents to include more recent trends and practices (e.g. representative deliberative processes) and provide more concrete advice on (non-electoral) participatory practices and processes beyond RIA.
- Consider including a dedicated course on participation in mandatory training requirements for senior public officials and for all newly hired public officials to introduce them to the concept and its practices.
- Consider setting up a community of practice dedicated to citizen and stakeholder participation.

Enhance transparency and provide high-quality information as a basis for citizen and stakeholder participation

- Proactively disclose all relevant information regarding participatory processes, including draft laws, policy proposals, and opportunities for and results of public consultations.
- Consider creating an integrated government-wide participation portal.

Experiment with innovative forms of participatory tools and practices in the Czech Republic

- Embed deliberation in existing participatory spaces, for example in existing consultative bodies (e.g. councils) to improve inclusion and representation in the councils and bring citizens (as individuals) into these processes.
- Pilot representative deliberative processes at the local level, for example, in subnational participatory budgeting.



CHAPTER 2

Improving policy co-ordination and strategic planning at the centre of government



Overview and key challenges

The capacity of the centre of government (CoG) to steer the response to crosscutting challenges, identify and implement government priorities and deliver on commitments is instrumental in addressing today's policy challenges. The lack of strategic steering and coordination capacities in the Office of the Government (OG), the main CoG institution in the Czech Republic, has led to the multiplication of strategies and priorities, generating challenges and shortcomings in their consistency and for their implementation. Further building capabilities and instruments in the OG on strategic planning, policy coordination, and guidance can enhance the consistency and alignment of national and sectoral strategies and policies.

Recommendations

Increase the centre of government's capacity and instruments to steer, align and implement strategies

- Strengthen the Office of the Government's strategic co-ordination and analytical capacities through dedicated central units on strategy and supporting analytical capacities.
- Consolidate the number of strategies and the strategy development process.
- Systematically link policy planning with financial planning.
- Adapt the Office of the Government's role and structure to ensure better delivery of identified government priorities and horizontal challenges.
- Further enshrine the role of the OG on steering and co-ordinating strategic planning activities in the Competency Law.

Develop the co-ordination role in the Office of the Government

- Increase policy co-ordination and the monitoring role of the Office of the Government.

Streamline and empower the government councils, particularly those under the OG

- Map the councils and streamline their mandate with clear roles and deliverables.
- Better integrate councils into decision-making processes.

Increase the steering capacity of the Council for Public Administration to drive the implementation of the PAR

- Strengthen the role of the Council for Public Administration to steer the PAR.
- Better connect the PAR and the Policy Statement of the Government.
- Support the PAR implementation and ensure better ownership and steering from the centre.

CHAPTER 3

Promoting evidence-informed decision making



Overview and key challenges

Despite its importance – elevated at times of crises – evidence-informed decision making (EIDM) in the Czech Republic needs strengthening, both at the political and civil servant levels, in order to make more informed policy choices that take into account the legitimate needs of citizens. Increasing analytical capacities, data sharing

across the administration, more rigorous regulatory impact assessment (RIA) and ex post evaluation of policies and regulations, are necessary for EIDM to take hold in the Czech Republic. Developing analytical capabilities at the centre of government can also support more evidence-based policymaking in support to strategic priorities. Several ministries and agencies have started closing these gaps but more systemic efforts are needed.

Recommendations

Improve the institutional arrangements for evidence-informed decision making

- Develop analytical capacities in the centre of government as well as in line ministries.
- Make use of external scientific institutes, think tanks and ministries' research institutes.
- Incorporate public access to data into the current government proposal on public data management, building on open data principles.

Increase evidence-informed decision making

- Ingrain EIDM better across the public administration.
- Strengthen the role of RIA in the regulation-making process.
- Establish systematic monitoring and evaluation of government interventions as a core part of the public administration to understand what has worked, what has not and share practices across government.
- Build a central interactive consultation portal where all members of the public can comment on draft regulatory proposals.
- Make guidance on conducting ex post assessments mandatory for all officials.

CHAPTER 4

Strengthening public administration at the local and regional level



Overview and key challenges

The Czech Republic has over 6 000 municipalities and 88% of them have fewer than 2 000 inhabitants, leading

to a challenge of policy coordination. This territorial fragmentation affects the efficiency of public services and investment at the subnational level not only because coordination among levels of government is difficult in this context, but also because

municipalities, especially small ones, face strong capacity gaps. Stronger inter-municipal cooperation is necessary to foster efficiency of investments and services, and ultimately improve citizens' well-being. This can be done by providing incentives to municipalities to encourage long-term and stable cooperation across the whole policy cycle. The Czech Republic can also benefit from further using a place-based approach to subnational strategic planning, by encouraging cross-municipal joint planning, as well as improving inter-ministerial and multi-level coordination. A number of practices could be instrumental in this regard, including: promoting peer-exchange, developing assistance networks at the regional level, as well as tailoring the support to different groups of municipalities (e.g. large urban centres, small rural municipalities, etc.).

Recommendations

Strengthen inter-municipal cooperation

- Develop an indicators' system that assesses the cost and quality of public service delivery at the local level.
 - Develop data on functional areas (in functional microregions and agglomerations) to be able to establish long-term and stable inter-municipal cooperation schemes at the functional scale.
 - Introduce financial incentives, such as special grants or a special tax regime for inter-municipal co operation bodies to encourage inter-municipal co-operation.
 - Resort to peer-learning activities to encourage inter-municipal co-operation. Municipalities sometimes need to be persuaded about the benefits and meaningfulness of inter-municipal co operation.
 - Identify a specific set of tasks that could be performed by a group of municipalities.
 - Debate establishing concrete incentives to encourage municipal mergers.
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Enhance strategic planning at all levels

- Further use a place-based approach to regional and local development strategic planning.
- Revise the procedure for the consultation of regional governments and municipal associations when developing strategic planning instruments with a territorial dimension.
- Scale up and further disseminate detailed guidelines, toolkits and training efforts for civil servants to engage effectively with regional governments and municipal associations within the planning cycle.
- Move toward a more participatory approach to monitoring and evaluation through the systematic engagement of regional governments and municipal associations.
- Build capacity of regional and local governments and Voluntary Associations of Municipalities (VAMS) in developing long-term and integrated development strategies and in using strategies to support decision-making.
- Build subnational capacity for stakeholder and citizen engagement in strategic planning.

Enhance vertical co-ordination

- Pilot the use of territorial contracts for inter-governmental co-operation for public investment projects that currently have low uptake.
- Create a cross-sectoral and multi-level dialogue body as an institutionalised co-ordination mechanism to focus on the implementation of national policies that require the co-operation of subnational governments.
- Build administrative capacity.
- “Scale-up” capacity building at the municipal level.
- Tailor capacity building to different groups of municipalities, taking into account local development profiles and policies.
- Strengthen subnational fiscal capacity.
- Expand the use of non-earmarked transfers to subnational governments to strengthen their autonomy.
- Providing more tax autonomy to some local governments may help improve their efficiency.

CHAPTER 5

Accelerating the uptake of digital government tools and the development of user-driven digital services in government



Overview and key challenges

The Czech Republic has made digital government a national priority and has invested in the governance of digital government and several public policies to deliver better services to users. It is well-positioned to reach digital government maturity with a whole-of-government strategy supported by the highest political

leadership. Nevertheless, it remains essential for the Czech Republic to enable the changes by strengthening the newly established governance for digital government, consolidating coordination and collaboration efforts and equipping the public sector with key policy levers to design and deliver public services for all users in the digital age.

Recommendations

Continue defining clear roles and responsibilities of the key actors driving the digital government agenda

- Continue developing and institutionalising the roles and responsibilities of the organisation-in-charge and each key actor (especially the Cabinet of Deputy Prime Minister for Digitalisation, the Digital Information Agency and the Ministry of Interior) through a transparent and inclusive process to gain legitimacy and ensure sustainability.
- Identify the needs of public institutions in providing the necessary support for their digital transformation strategies and making necessary shared services and tools available.
- Equip the relevant organisations with sufficient institutional capabilities and competencies.

Strengthen coordination mechanisms between different government levels, the private sector and service users to support decision making, implementation and monitoring

- Building upon the statute of the Government Council of Information Society, formalise the council's decision-making responsibilities to use the co-ordination body's full potential and to deliver the digital transformation efforts across the public sector.
- Expand the involvement of the thematic working groups to the Government

Council of Information Society to increase engagement and alignment with institutional needs and facilitate a bottom-up collaborative culture.

- Organise a regular meeting at the chief information officers (or equivalent) level with regional representatives organised by the Digital Information Agency.

Further enforce the use of centralised guidelines and standards, common tools and services across the government with an appropriate incentive mechanism

- Raise awareness of the centralised guidelines and standards, common policy tools and services to gain support and adoption across the public sector through inter-ministerial co-ordination, communication campaigns and regular training exercises.
- Create communities of practice to share good practices, exchange knowledge and identify common challenges that can be resolved with assistance from the Digital information Agency.
- Create a clear set of KPIs to assess and monitor implementation progress to ensure a sustainable transformation across the government.
- Consider empowering the organisation-in-charge to fund cross-sectoral initiatives to ensure the coherent and efficient implementation of such projects.

CHAPTER 6

Attracting and developing skills in the public service



Overview and key challenges

The success of the Czech reform agenda will depend in part on the ability of the administration to attract and recruit people with the right skills. Improving the attractiveness within the recently revised legislative framework involves not only better employer branding, but a whole-of-government effort to revise and update the principles of recruitment/selection and people management – particularly when it comes to selecting senior leaders. A more strategic approach to learning and development would position the administration well to deliver on its ambitions, reinforced with more and better data to inform workforce management policies.

Recommendations

Improve employer branding of the Czech public service

- Developing an employer branding strategy, reflecting on the balance of central guidelines or tools and empowering individual organisations to tailor branding strategies to their own needs.
- Consulting widely on the development of an employer branding strategy to understand how the Czech administration is positioned in the minds of prospective candidates.
- Celebrating the values and achievements of the civil service, e.g. by communication campaigns explaining the work of civil servants to the wider public.
- Developing a more joined-up approach to social media use, e.g. centralised use of tools such as LinkedIn/Facebook and guidance to staff to promote the work of the civil service.

- Gathering data to understand the reach and effectiveness of employer branding.
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Modernise and streamline the recruitment process

- Gradually phasing out paper-based requirements for recruitment applications.
- Reviewing job descriptions to make them more engaging and accessible to outside audiences.
- Reviewing competence and skill requirements to ensure that recruitment and selection processes are able to test for future-oriented competences.
- Continuing and strengthening efforts to increase recruitment from outside the civil service at all levels to acquire skills and competencies that cannot be easily located or developed within the civil service while still promoting career development opportunities for the existing cohort.
- Building excellence in HR capacity at the central level and in HR units to carry out a variety of selection and assessment processes.
- Exploring the possibility of using “panel” or “batch” recruitment to recruit more than one candidate for specific cross-government roles, such as economists or analysts.
- Developing a strategy for career outreach to prospective candidates, e.g. through university career fairs and local job employment fairs.

Reflect on the management of senior public service leaders

- Clearly defining in-demand skill sets that prove challenging to develop internally, and strengthening the use of external recruitment to complement the existing senior management cohort with these skills.
 - Identifying learning content and formats specifically targeted at the senior leadership group in the Czech administration with a view to building a cohesive management culture.
 - Developing a “near-miss” engagement strategy, i.e. developing a pool of candidates not selected for civil service vacancies at the senior level but who performed strongly and could be encouraged to reapply.
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Develop a centralised learning and development strategy for the civil service

- Developing a competency framework for the administration and using it to help develop a learning strategy.
- Using the strategy to broaden the scope of learning opportunities, e.g. through piloting mobility programmes and developing governance arrangements for these.
- Reflecting on current institutional arrangements for learning and development, especially on what aspects of learning could be provided centrally across the administration.
- Reducing duplication of training modules and sharpening quality control of the content.

- Emphasising the link between learning and career development.
- Reviewing the role of managers in developing learning and development plans for their staff toward empowering staff to take their learning needs into their own hands.
- Quantifying recruitment challenges, e.g. through measuring data such as time-to-fill, vacant posts or turnover rate.
- Upskilling HR departments and managers in the use of data sets to inform management.
- Investing in the ability to analyse and work with complex data sets: this may require acquiring specialist tools and/or expertise.
- Establishing a common vision for data-informed policy development relating to attraction and recruitment, as well as learning and development.

Gather and use human resources data more effectively and strategically



CHAPTER 7

Strengthening co-ordination mechanisms for efficient crisis management



Overview and key challenges

The effectiveness of these reforms will also depend on the public governance system's resilience in the face of current and future crises. During the COVID-19 crisis, the Czech Republic had a well-developed crisis management framework and activated its central crisis co-ordination and advisory unit, the Central Crisis Staff (CCS), and created ad hoc advisory bodies, such as the

Council for Health. However, the government faced several governance challenges in the implementation of these frameworks, particularly on the coordination between these bodies, the lack of staff capacity on crisis management, the absence of centralised crisis management information systems, and the lack of consistent public communications channels and messages with key stakeholders and citizens. Initiatives have been launched to address those issues and should be pursued particularly in light of the ongoing crisis due to the War in Ukraine.

Recommendations

Reinforce the institutional and policy frameworks for crisis co-ordination

- Ensure wide consultation of government and external stakeholders in updating the national crisis plan and framework to ensure faster and more robust responses to future crises and involve the National Security Advisor for guidance and support; evaluate the use of the Model Action Plan for Epidemics during COVID-19.
- Within the national crisis plan, ensure a better articulation of the roles, mandates and responsibilities of relevant actors during a crisis, such as line ministries and other central administrative authorities, the Czech National Bank and territorial self-governing units.
- Empower the CoG for more leadership in times of crisis, develop crisis management capacities in the CoG and ensure that advice from the CCS is effectively taken into account by the government in crisis time through the National Security Advisor.

Strengthen the crisis legal framework and emergency regulations for evidence-based policymaking

- Base crisis legislation on all available evidence to try to mitigate risks of regulatory failure, provide a sound justification for its need, and help communicate regulatory objectives to affected citizens and businesses.
- Where crisis legislation did not follow standard law-making processes, make explicit provisions in the crisis legislation

to collect data and then be subject to monitoring and evaluation of its effectiveness and efficiency.

- Support independent, national evaluation of the overall crisis response of the government and other public players and make the results publicly available.
- Further build government risk assessment capabilities to identify future risks beyond those similar to COVID-19.
- Develop protocols and processes for collecting data on relevant outcomes and essential services to be better prepared for future crises.
- Strengthen the analytical capacity of the CoG to increase the quality and pace of analysis in preparing emergency regulations, measures and policies.
- Strengthen the CCS expert working group on legislation's capacity to enforce that extraordinary measures in crisis times still comply with the regulatory requirements.



Continue efforts to build a more robust crisis management information system that provides clear frameworks and standards for information and data sharing across ministries and that ensures interoperability to support evidence-based policymaking

Continue to reinforce the framework for strategic crisis communication with clear protocols and standards for all public bodies

- Define clear roles for disseminating government's messages through a high-level spokesperson endorsed by the Prime Minister to ensure coherence in public communications and strengthen the strategic public communication resources of the Prime Minister's Office to support this role.
- Strengthen transparency in crisis management by clarifying to citizens the responsibilities of each crisis management body, sharing the main measures adopted by the CCS with the public and extending two-way crisis communication with citizens to more channels.
- Develop capacity to prepare toolboxes and communication materials in the event of a crisis for citizens and the different government levels and institutions.
- Ensure that an omni-channel approach for delivery is developed to reach all demographics by using

digital and non-digital channels, such as television, social media, government websites and newspapers.

Engage a wider range of stakeholders in the crisis decision-making process to increase buy-in and trust in the government's response

- Consider creating in support of the national, regional and municipal CCS a permanent expert group to consult civil society at all levels during a crisis to be supported by digital and non-digital mechanisms.
- Involve civil society and local actors (municipalities, police forces, schools, etc.) and non-governmental stakeholders early in the management of the crisis.
- Set up consultation forums to develop mechanisms for citizen participation in crisis management.



EXAMPLES OF OECD PUBLICATIONS ON PUBLIC GOVERNANCE



POLICY FRAMEWORK ON SOUND PUBLIC GOVERNANCE

Baseline Features of Governments that Work Well



BUILDING TRUST TO REINFORCE DEMOCRACY

Main Findings from the 2021 OECD Survey on Drivers of Trust in Public Institutions



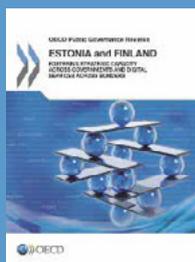
CENTRE OF GOVERNMENT REVIEW OF BRAZIL

Toward an Integrated and Structured Centre of Government



OECD PUBLIC GOVERNANCE REVIEWS: FRANCE

An international perspective on the general review of public policies



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